2014 ANNUAL MEETING
Participant Information & Pre-reading Materials

Click on the items below to jump to each section.

**Participant Information**
- About the SPLC
- Site Logistics
- Outline Agenda
- Meeting Sustainability Achievements

**Pre-Readings**
- Orientation to the Council
- SPLC Approach and Programs
- *Principles for Leadership in Sustainable Purchasing*
- Purchasing Category Workshop Pre-readings
  (online: [http://tinyurl.com/q6aghmy](http://tinyurl.com/q6aghmy))
- *A New Era for Green Procurement* (Hummel)

Thank you to our Meeting Sponsors:
About the SPLC

The Sustainable Purchasing Leadership Council is a non-profit organization whose mission is to support and recognize purchasing leadership that accelerates the transition to a prosperous and sustainable future. The Council oversees a number of programmatic activities, including:

- **Membership** – a leadership network and community of practice
- **Tool development** – sustainable purchasing guidance, measurement & benchmarking
- **Professional development** – sustainable procurement training curricula & certification
- **Convenings** – conference, expo, workshops & expert gatherings
- **Awards** – honoring individuals and organizations whose work has advanced the sustainable purchasing movement
- **Leadership recognition program** – rating system development and governance

Some of these activities are directly initiated and executed by the Council, while some are undertaken in collaboration with partners.

The Council builds on two prior collaborations: The Keystone Center’s Green Products Roundtable (GPR) and a pilot project conducted with the Association for the Advancement of Sustainability in Higher Education. The Council seeks to continue its history of constructive partnership and coordination with existing initiatives, with the goal of accelerating the market’s adoption of the sustainable purchasing best practices and tools they produce. More information is at: [http://tinyurl.com/m9nclet](http://tinyurl.com/m9nclet).

**Founders Circle**

A Founders Circle of leadership organizations came together to launch the Council in July, 2013. Operating by invitation only, the Founders Circle acts as a leadership recognition and participation opportunity for stakeholders in institutional procurement who have contribute to the founding of the Council. We are grateful to the following organizations for their commitment of three years of financial and technical support.
Site Logistics

Getting to the Convention Center & Hampton Inn

The Convention Center is located between 7th and 9th Streets and N Street and Mt. Vernon Place NW, across from Mt. Vernon Square. The Metro stop is Mt Vernon Sq/7th Str Convention Center on the Yellow/Green line. The Yellow line runs direct from/to Reagan National Airport. A parking map is at: http://tinyurl.com/nobr436. The same directions can be used for the Hampton Inn, which is one block southeast of the Convention Center.

Walking Directions from Hampton Inn to Convention Center

1. Head north on 6th St NW toward K St NW
2. Turn left onto K St NW
3. Turn right onto 7th St NW
4. Turn left onto Mt Vernon Pl NW

Link to map: http://tinyurl.com/myuyzag

Walking Directions from Hampton Inn to Hotel Monaco (Banquet)

1. Head south on 6th St NW toward Mass. Ave NW
2. Turn right at G St NW (take the stairs)
3. Turn right toward 7th St NW. Walk for 0.1 m
4. Head west toward 7th St NW
5. Turn left onto 7th St NW
6. Turn right onto F St NW

Link to map: http://tinyurl.com/mrtnckt

Contact Numbers

For SPLC assistance, call Rose Kim: (240) 308-9080
Hampton Inn: (202) 842-2500
Hotel Monaco: (202) 628-7177

Things to Bring

- Refillable water bottle
- Notepad and pen (we won’t be providing these)

WiFi Access

Free wifi is available in all public spaces of the DC Convention center (hallways, lobbies etc). However, if you require access within the meeting rooms you can purchase this service directly from your own iPad/laptop once you arrive on-site. Just connect to the ‘Instant Internet’ network and the splash page walks you through the ordering process. Access is $12.95 per day per device.
Networking Dinner Locations (by distance)

Four out of our five Networking Dinner locations are REAL Certified (http://eatreal.org) restaurants. The United States Healthful Food Council (USHFC) developed Responsible Epicurean and Agricultural Leadership (REAL) Certification to be the trusted, nationally recognized mark of excellence for food and foodservice operators committed to holistic nutrition and environmental stewardship.

<table>
<thead>
<tr>
<th>Location</th>
<th>Distance</th>
<th>Address</th>
<th>Phone</th>
<th>Website</th>
<th>Map Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brasserie Beck</td>
<td>0.3 miles</td>
<td>1101 K St NW</td>
<td>202f 408f 1717</td>
<td><a href="http://www.beckdc.com">www.beckdc.com</a></td>
<td><a href="http://tinyurl.com/q8l95l8">http://tinyurl.com/q8l95l8</a></td>
</tr>
<tr>
<td>La Tasca*</td>
<td>0.3 miles</td>
<td>722 7th St NW</td>
<td>(202) 347-9190</td>
<td><a href="http://www.latascausa.com">www.latascausa.com</a></td>
<td><a href="http://tinyurl.com/mpdggcq">http://tinyurl.com/mpdggcq</a></td>
</tr>
<tr>
<td>Meridian Pint</td>
<td>2.2 miles</td>
<td>3400 11th St NW</td>
<td>202-588-1075</td>
<td><a href="http://www.meridianpint.com">www.meridianpint.com</a></td>
<td><a href="http://tinyurl.com/kjc4mj2">http://tinyurl.com/kjc4mj2</a></td>
</tr>
<tr>
<td>The Heights</td>
<td>2.4 miles</td>
<td>3115 14th St NW</td>
<td>202-797-7227</td>
<td><a href="http://www.theheightsdccom">www.theheightsdccom</a></td>
<td><a href="http://tinyurl.com/mcnf6a">http://tinyurl.com/mcnf6a</a></td>
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</table>

* La Tasca is not REAL Certified

Annual Meeting Planning Committee

The Annual Meeting Planning Committee provided invaluable advice and input to the staff and Board of Directors to guide the planning and execution of the Annual Meeting. If you get the opportunity, please take a moment to thank these individuals for their hard work in helping us to create a truly memorable event.

- Raymond Randall, Waste Management
- Mark Rossolo, UL Environment
- Jonathan Rifkin, District of Columbia
- Anastasia O’Rourke, DEKRA
- Sam Hummel, SPLC

Thank you

to the Board of Directors,
the Annual Meeting Planning Committee,
the Strategic Advisory Committee,
our Event Coordinators and Volunteers,
and the Meeting Sponsors
for making this first Annual Meeting possible.
## 2014 Annual Meeting Outline Agenda

### Monday, May 19

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Location</th>
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<tbody>
<tr>
<td>3:00-5:00pm</td>
<td>Board Meeting</td>
<td>Convention Center Room 205</td>
</tr>
<tr>
<td>5:00pm-6:00pm</td>
<td>Joint Board &amp; Strategic Advisory Committee Meeting</td>
<td>Convention Center Room 203A</td>
</tr>
<tr>
<td>6:30-9:00pm</td>
<td>Eve of Meeting Networking Dinner (sold out; pre-registration required)</td>
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### Tuesday, May 20

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Location</th>
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<tbody>
<tr>
<td>8:00am</td>
<td>Registration &amp; Breakfast</td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>9:00am</td>
<td>Welcome &amp; Opening Remarks</td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>9:45am</td>
<td>Environmental, Social and Economic Sustainability in Purchasing Leadership</td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>10:45am</td>
<td>Workshops Preview</td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>11:00am</td>
<td>Networking Break</td>
<td></td>
</tr>
<tr>
<td>11:30am</td>
<td>Challenges &amp; Solutions Workshops (Round 1) <a href="http://tinyurl.com/inmyodq">http://tinyurl.com/inmyodq</a></td>
<td></td>
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<tr>
<td>12:45pm</td>
<td>Lunch &amp; Networking</td>
<td>Convention Center Room 201</td>
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<tr>
<td></td>
<td>CPO Roundtable meeting</td>
<td>Convention Center Room 205</td>
</tr>
<tr>
<td>1:45pm</td>
<td>Challenges &amp; Solutions Workshops (Round 2) <a href="http://tinyurl.com/qh67orn">http://tinyurl.com/qh67orn</a></td>
<td></td>
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<tr>
<td>3:00pm</td>
<td>Networking Break</td>
<td></td>
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<tr>
<td>3:20pm</td>
<td>Challenges &amp; Solutions Workshops (Round 3) <a href="http://tinyurl.com/p99vsdf">http://tinyurl.com/p99vsdf</a></td>
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</tr>
<tr>
<td>4:35pm</td>
<td>Room Change</td>
<td></td>
</tr>
<tr>
<td>4:45-5:30pm</td>
<td>Closing Conversation: Leadership Stories from the Day</td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>6:30-7:30pm</td>
<td>Reception</td>
<td>Hotel Monaco, Athens Ballroom <em>(700 F St NW, Washington, DC)</em></td>
</tr>
<tr>
<td>7:30-9:00pm</td>
<td>Banquet &amp; Keynote</td>
<td>Hotel Monaco, Paris Ballroom <em>(700 F St NW, Washington, DC)</em></td>
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### Wednesday, May 21

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>8:00am</td>
<td>Breakfast</td>
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<tr>
<td>9:00am</td>
<td>Overview of SPLC's Shared Program of Guidance <a href="http://tinyurl.com/qcggztd">link</a></td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>10:00am</td>
<td>Networking Break</td>
<td></td>
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<tr>
<td>10:30am</td>
<td>Purchasing Category Workshops (Round 1) Pre-readings: <a href="http://tinyurl.com/q6aghmy">link</a></td>
<td></td>
</tr>
<tr>
<td>12:30pm</td>
<td>Lunch &amp; Special Presentation: &quot;SPLC in a Global Context&quot;</td>
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<td></td>
<td>Panel discussion featuring UNEP, ISEAL, US EPA Global Affairs, and US Department of State Bureau of Democracy, Human Rights, and Labor</td>
<td>Convention Center Room 201</td>
</tr>
<tr>
<td>1:30pm</td>
<td>Purchasing Category Workshops (Round 2) Pre-readings: <a href="http://tinyurl.com/q6aghmy">link</a></td>
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<tr>
<td>3:30pm</td>
<td>Networking Break</td>
<td></td>
</tr>
<tr>
<td>4:00pm</td>
<td>Council Update &amp; Forum</td>
<td>Convention Center Room 201</td>
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<tr>
<td>5:00pm</td>
<td>Closing Awards Ceremony</td>
<td>Convention Center Room 201</td>
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<tr>
<td>5:30pm</td>
<td>Adjourn</td>
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### Thursday, May 22

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>10:00am-12:00pm</td>
<td>SPLC Global Linkages Meeting</td>
<td>(pre-registration required)</td>
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</table>
Meeting Sustainability Achievements

In planning the Annual Meeting, we have sought to model sustainable procurement practices in the contracts that we have negotiated.

Food & Beverage Requirements

Building on existing standards and certifications, SPLC has developed a comprehensive set of Food & Beverage Requirements and Preferences (http://tinyurl.com/SPLCfoodandbev) for use in producing SPLC events. These are some of the goals we achieved in contracting food service for the 2014 Annual Meeting:

- **Minimize Food Waste**: Use of menus, service and portion options that minimize food waste in the front of house. Caterer uses waste audit procedures to reduce pre-consumer food waste. Caterer will donate leftover food to the local community or nonprofit organizations to the extent allowed by local health codes.

- **Minimize Ingredient Impact**: Use of menu options that minimize the use of animal-derived ingredients, especially beef. Organic and/or local ingredients will be used when available at an affordable cost. Seafood will green or yellow rated according to Monterey Bay Aquarium’s Seafood Watch and/or Marine Stewards Certified. Food on buffets and in menus will be labeled for those with food allergies. The supplier shall report the % of total foods that are organic or local (within 250 miles).

- **Energy**: Caterer uses energy, water and waste reduction initiatives in the back of house. Water, tea and ice will be available as-desired rather than pre-poured into glasses at seated meals. Caterer purchases or generates clean, renewable electricity for its operations.

- **Minimize Landfill Waste**: Sufficient bins for collecting recyclables and compostables will be provided in service areas. No bottled water will be served. Fully compostable serviceware will be provided along with compost collection whenever reusable serviceware is not used. The convention center will track and report to SPLC all waste generated as part of the food service operation and the proportions that were diverted to recycling and compost vs. landfilled/incinerated.

- **Education**: The caterer and SPLC will work together to provide visible communication informing venue staff and visitors of the practices that meet these sustainability requirements and preferences.

- **Fair Trade & Living Wage**: Only 100% certified Fair Trade coffee and tea will be served. The caterer has attested that all workers involved in catering SPLC’s event will be paid above the “1 Adult” hourly living wage estimated by MIT’s Living Wage Calculator for Washington, DC.

Venue Requirements

Building on existing standards and certifications, SPLC has developed a comprehensive set of Event Venue Requirements and Preferences (http://tinyurl.com/SPLCeventvenue) for use in producing SPLC events. These are some of the goals we achieved in contracting meeting space at the Convention Center for the 2014 Annual Meeting:

- **Coordination**: The venue has provided a contact responsible for assisting SPLC in increasing the sustainability of its event.

- **Food & Beverage**: The venue provides food service options that are capable of satisfying a large number of SPLC’s Food & Beverage Requirements and Preferences (http://tinyurl.com/SPLCfoodandbev).

- **Energy**: The venue annually measures and tracks its carbon emissions associated with operations in addition to total energy use, using available online tools or through professional assessment. The venue purchases 100% Green-e certified wind power to cover its energy use. The venue has policies that reduce wasteful energy use during move-in/move-out, such as 50 % reduced light protocol, a reduced HVAC protocol, and a policy of limited escalator operation.

- **Minimize Landfill Waste**: The venue has in place a waste reduction program that includes operating procedures that promote the efficient use of materials (including working with event planners to avoid waste), procurement practices that prevent waste upfront, a surplus/donation program that repurposes materials, and recycling and compost collection receptacles and procedures that divert recoverable materials from the landfill. The venue will communicate to SPLC, within 30 days of the end of the event, the event-specific waste diversion rate. Venue ensures that sufficient bins for collecting recyclables and compostables are provided in service areas. Venue recycles the following electronic equipment with an e-Stewards certified company: computers and peripherals, printer cartridges, cellular telephones, televisions, appliances, and cameras. Venue distributes materials such as contracts, sales kits, banquet event orders, and event specification guides electronically unless a paper copy is requested.
Transportation: Venue promotes and provides information regarding alternative transportation to planners and others, provides bike racks for employees and visitors, and enforces a 5 minute no-idling policy.

Toxicity: Venue uses and documents integrated pest management.

Economy: Venue has a program for promoting and tracking the use of diverse suppliers (minority-owned businesses, woman-owned businesses, disability-owned businesses and veteran-owned businesses) and small and medium sized suppliers. Venue attests that all workers involved in SPLC’s event will be paid at or above the “1 Adult” hourly living wage estimated by MIT’s Living Wage Calculator (http://livingwage.mit.edu/) for the event’s locale.

Third Party Verification: Venue has attained or registered to pursue third party certifications, such as LEED or ENERGY STAR, attesting to the environmental performance of its operations. [LEED EBOM]

Hotel Sustainability

SPLC has not yet developed comprehensive sustainability requirements and preferences for use in contracting lodging. We were pleased, however, to find that the Hampton Inn & Suites Convention Center had achieved a Silver TripAdvisor GreenLeaders (http://tinyurl.com/m63g5jh) rating and was also one of the most affordable options in the area, demonstrating that sustainability doesn’t have to cost more:

Energy: Track energy use. ENERGY STAR appliances in guest rooms, kitchens, and laundries. ENERGY STAR windows and pool heater. At least 75% of interior lightbulbs are compact fluorescent (CFL), LED, and T5/T8 fluorescent. HVAC temperatures set to save in summer and winter. Sensors turn off lights and adjust temperature in unoccupied rooms. Efficient boilers, chillers, furnaces and/or heat pumps that are maintained preventively.

Water: Track water use. Faucets use ≤1.5 gpm, showerheads use ≤2 gpm, toilets use ≤1.28gpf, and urinals use ≤0.5gpf. Towel and linen reuse program.

Materials: Paper and tissues ≥50% recycled content. Up to 25% of furniture has recycled, renewable or salvaged materials, or is locally sourced.

Waste: Tracks waste. Has staff-sorted recycling program. Recycles 90%+ of furniture. Uses reusable dinnerware and cutlery. Leftover toiletries, food, furniture and electronics are donated or re-used.

Health/toxicity: Integrated pest management uses non toxic control methods, such as traps, baits and gels) to control pests. Dry-cleaning doesn’t use perchloroethylene (perc). Low volatile organic compound (VOC) paints, primers, adhesives, and sealants are used.

TripAdvisor requests that guests report any claims that prove to be incorrect.

Carbon Emissions Offsets

Through CarbonNeutral Company’s sponsorship we have retired carbon offsets sufficient to cover attendee travel, housing, food, meeting space and waste. The carbon offsets come from two third-party certified projects that are producing significant co-benefits:

Fiscalini Farms Methane Capture Project
Fiscalini Farms contains approximately 1500 cows, producing about 100 pounds of manure a day and large quantities of methane gas as a result. Methane has a global warming potential 21 times more potent than CO2. Therefore the capture and destruction of this gas has significant impact on reducing greenhouse gas (GHG) emissions. The project uses two anaerobic digester tanks to manage the waste and prevent the release of methane. Prior to the digester installation, manure was flushed from the freestall barns and sent to an uncovered anaerobic lagoon where methane gas was released into the atmosphere. The farm helps mitigate GHG emissions further by generating renewable electricity and heat from the captured methane through a combined heat and power (CHP) generation system.

Shanxi Cookstoves Project
The project installs one biomass gasifier stove per household, replacing the traditional stove which uses raw bituminous coal as the primary cooking fuel. The new stove is designed to process agricultural residue which, in Yangquan City households, is primarily corn and cereal waste. Between 2009 – 2010, the Shanxi Cookstove Project installed just under 14,000 biomass gasifier stoves across four townships in Yangquan City, resulting in approximately 16,775 tonnes of emission reductions in the first year of operation. By 2015, the project developer aims to have installed a total of 54,000 biomass gasifier stoves across six townships in Yangquan City.
Orientation to the Council

YOU ARE THE COUNCIL.

All of you who are attending our first public Annual Meeting—whether as Founders, Strategic Partners, Members, stakeholders, supporters, or curious observers—literally are the Sustainable Purchasing Leadership Council.

By accepting our invitation to come together in collaborative conversation to share expertise, discover solutions, build relationships, you are actively participating to shape the future of the Council and, through our programs to define leadership in sustainable purchasing, to shape a positive future for our society, economies, and planet. So first of all, THANK YOU for responding to the call to help create the Council!

This truly will not be your typical conference. We are tremendously excited by the caliber and expertise of the participants in attendance, and we have worked hard to create a dynamic, varied agenda that makes the most of the concentrated passion and expertise that all of you, collectively, bring to the Meeting, balancing opportunities for you to share your own experiences with opportunities to learn from others, whether in formal presentations, structured workshops, networking breaks, or informal social contexts.

Our responsibility, as staff, will be to capture as many of these exchanges as possible, so that the lessons we learn from all of you can be integrated into the guidance resources that the Council is creating to support leadership organizations in sustainable purchasing. Your responsibility, as an attendee, is to come with an open mind, ready to engage with your fellow attendees in an active conversation about the future of leadership in sustainable purchasing, and to share with us your perspectives so that we can integrate them into the Council’s work.

This orientation and the attached and linked (http://tinyurl.com/q6aghmy) pre-reading materials are resources to equip you to contribute to, and benefit from, the Meeting. This is a focused, results-oriented event, and the pre-readings create a common foundation for our collective conversation. Please review these materials, since the more familiar you are with the content, the more you will gain from the meeting... and the more we will all achieve through collaborative effort. This is a meeting where we will all get out of it what we put into it!

Sustainable purchasing is a strategic leadership opportunity.

We see institutional purchasing as a strategic leadership opportunity at the scale of the entire economy. Collectively, institutional purchasers have the opportunity to shape entire markets, and particularly the long-term sustainability of those markets. In the United States alone, institutional purchasing represents an estimated $10 Trillion dollars: an economic demand engine that directly or indirectly keeps up to 70% of Americans at work, somewhere in the economy... and also is estimated to directly or indirectly cause two thirds of the US’s domestically generated CO2e GHG emissions and a range of other impacts. Organizational purchasing decisions send powerful economic signals up and down the entire supply chain, with the potential to influence the environmental, social, and economic performance of entire markets. It is our job to help organizations make the most of this opportunity.

Institutional purchasers are uniquely positioned to influence the future.

Institutional purchasers – procurement and supply chain professionals, facilities managers, designers, food service directors, etc. – have a strategic role in leveraging institutional purchasing to address the environmental, social, and economic impacts we seek to improve. They are uniquely positioned to demand transparency into the upstream and downstream impacts of goods and services, incorporate that knowledge into purchasing decisions at a scale that can shift markets, and ensure “sustainable” products measure-up on quality and total cost. Increasingly, these professionals are mobilizing to use their purchasing role to help their organizations realize ambitious enterprise-wide sustainability goals. The SPLC exists to provide practical and scalable tools that support them in doing just that.
SPLC proposes shared solutions to shared challenges.

Organizations and their purchasers face a fundamental challenge in exercising leadership through sustainable purchasing: the lack of standardization in how sustainable purchasing is defined, guided, measured, and rewarded. That root challenge creates a problems shared by all marketplace stakeholders, including suppliers, policymakers, public interest advocates, certifiers, and standards developers, etc. When each organization must develop their own definition, guidance, metrics and standard for sustainable purchasing leadership, the effort required to do that represents a significant barrier to entry into the sustainable purchasing game. It also means that suppliers get mixed signals, that similar-but-different policies complicate market transformation efforts rather than simplify them, that public interest advocacy requires massive campaigns to influence each organization one-by-one, and that manufacturers, certifiers, and standards developers must invest valuable resources into creating high quality verifications of sustainability performance in an effort to combat the divergent demand signal.

SPLC represents a two-part solution to these challenges. First, we are working to promote convergence in the demand signal by bringing together a community of collaboration – including sustainability professionals, procurement professionals, supplier representatives, technical experts from the academic and NGO communities, and other relevant market stakeholders – to evaluate the guidance currently available to purchasers and identify the best among it. Second, this group will develop a shared program that guides, measures, and recognizes leadership in sustainable purchasing in an integrated way. The Council’s recently released Principles for Leadership in Sustainable Purchasing have begun that process by establishing a shared definition of leadership in sustainable purchasing. This multi-stakeholder collaboration and the resulting leadership guidance program will enable organizations from a wide variety of sectors to send clear market signals that simultaneously advance the sustainability of their organizations and the global economy.

We share a common vision and mission.

The SPLC has come together, as a leadership community, around a common vision and mission. We envision a world where the production, distribution, use and disposal of goods and services enhance the long-term health and vitality of society, economies and the planet. Our mission is to support and recognize purchasing leadership that accelerates the transition to a prosperous and sustainable future. Our programs and community of practice are intended to help institutional purchasers to:

- prioritize opportunities to influence the social, environmental and economic life cycle impacts of purchased goods and services,
- identify existing leadership standards and approaches that address these priorities,
- benchmark progress toward goals, and
- receive recognition for advancement.

SPLC seeks to build on and accelerate existing leadership work.

SPLC recognizes that decades of tremendous leadership work has already been invested in developing guidance, tools and resources for sustainable purchasing. Indeed, many of SPLC’s founding members have been leaders in that work. What drew these leaders together to found the Council was the knowledge that much of this groundbreaking work has taken place within organizations, sectors, jurisdictions or regional collaborations – often independent of similar efforts elsewhere. Similarly, significant progress has been achieved independently by groups focused on specific impacts and opportunities, such as initiatives to reduce greenhouse gas emissions, increase supplier diversity, and eliminate conflict minerals.

As contributors to many of these leadership efforts, the Council’s founders felt that the work of these initiatives could have even greater impact if there were a collaboration space and a shared programmatic framework within which the specialized guidance developed by the initiatives could be delivered to the many purchasing organizations who are increasingly interested in finding a holistic guidance program. In short, it is not and has never been the Council’s intention to duplicate or displace the work of of these pre-existing initiatives. Rather, the Council seeks to provide a programmatic vehicle through which the output of these initiatives can be accelerated into wider adoption by the marketplace.

This means that when we talk about “developing guidance” within the Council we are describing a process of convening technical experts to select the best available existing guidance for promotion via the Council’s guidance, measurement, and leadership recognition programs. In the event that technical experts identify an area where insufficient guidance exists today, the Council intends to seek partners to develop guidance that meets the need, rather than embark on developing guidance from scratch in-house.
We share a common framework for understanding sustainability.

The SPLC and its membership strive to define and accelerate environmental, social and economic (ESE) progress through sustainable purchasing. For us,...

The **environmental** dimension of sustainability refers to the importance of maintaining the natural systems on which life depends, now and in the future. Opportunity areas for influencing systemic environmental impacts might include, but are not limited to: GHG emissions, water use, ozone depletion, biodiversity and habitat loss, and human health impacts.

The **social** dimension of sustainability refers to the importance of maintaining the social systems on which society depends, now and in the future. Opportunity areas for influencing systemic social impacts might include, but are not limited to: supply chain impacts such as child labor; worker rights, wages, and respect, including freedom of association, collective bargaining rights, and working conditions; and localized impacts such as impact on community infrastructure, economies, and social fabric.

The **economic** dimension of sustainability refers to the importance of maintaining the economic systems on which financial systems (our markets) depend, now and in the future. Opportunity areas for influencing systemic economic impacts might include, but are not limited to: discouraging monopolistic or monopsonistic behavior; open and competitive bid processes; eliminating conflicts of interest; collaboration to improve disclosure and transparency; local economic resiliency (e.g., HUB zone, small business); economic enfranchisement (e.g., supplier diversity); and ensuring suppliers are not undermining economic systems (e.g., bribery, freedom of association).

We share a common definition of leadership: *do the right thing.*

Managers are people who do things right. Leaders are people who do the right thing.¹ In the context of institutional purchasing, ‘buying green’ or ‘increasing supplier diversity’ are certainly examples of doing things right, but these actions alone do not necessarily represent leadership. Is it leadership if an organization’s ‘buying green’ activities only address 1% of the organization’s supply chain impacts? How about if the organization’s ‘increasing supplier diversity’ activities have only raised diverse supplier spending to 2% while the organization’s customer base is 27% minorities and its local community is 22% minorities?

*Doing the right thing* requires stepping back and looking at the big picture. Leadership in sustainable purchasing means examining all of an organization’s spending to identify and take action in those places where an organization has the greatest responsibility or opportunity to advance a sustainable future. It is about prioritization, about figuring out which actions are the most important actions, and then acting on that knowledge.

On May 8, 2013, the Sustainable Purchasing Leadership Council released its *Principles for Leadership in Sustainable Purchasing* (attached), which outline our perspective in detail.

We have an ambitious work plan for 2014.

The SPLC launched in July, 2013, as an outgrowth of The Keystone Center’s Green Products Roundtable. In August, 2013, we hosted a Founding Summit to agree on priorities for a Year 1 work plan, and immediately got to work on two initial projects: the *Principles for Leadership in Sustainable Purchasing* (released on May 8, 2014) and a *Landscape Scan* of existing programs of guidance for leadership in institutional purchasing (expected in June). By the end of 2014, we will attempt to complete the following projects, as well:

- *Spend Analysis Handbook*
- *Prioritization & Strategic Planning Guide*
- *Solicitation-Ready Category Guidance*
- *Draft of Rating System*

Our ability to complete all of this work will depend upon the level of financial resources and Member volunteer participation that we are able to attract. At a minimum, however, we are committed to delivering, by December 31, 2014, a *Guide for Leadership in Sustainable Purchasing, Version 1.0*, which will function as the initial draft of our proposed rating system, and will incorporate some of the above components. In early 2015, we will begin piloting this *Guide* as the basis of a credits- or points-based rating system. More information about the work plan is available at: [http://www.purchasingcouncil.org/current/](http://www.purchasingcouncil.org/current/).

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The upcoming Annual Meeting is our opportunity to formally begin the process of creating the *Guide for Leadership in Sustainable Purchasing, Version 1.0*, that we have committed to release in December. The *Guide* will include process-level guidance for implementing sustainable purchasing across an organization’s entire spending portfolio, as well as category-specific guidance for priority purchasing categories that are likely to be important for a broad range of institutional purchasers. The Day 1 workshops are intended to start the conversation about process-level guidance, and the Day 2 workshops are intended to start the conversation about category-specific guidance. Immediately following the meeting, volunteer Technical Advisory Groups (TAG’s) will be formed to focus on content development for specific components of the *Guide*.

We are a small staff supported by a village of volunteers.

The Council currently has only three full-time staff. Everything that we have been able to achieve to date is thanks to the tremendous support of the Steering Committee that helped to set up the Council, the Founders Circle that financed and advised its launch, the Board of Directors and Strategic Advisory Committee that took over from the Steering Committee in January, 2014, and the many Members who have contributed hours of their time to the success of the Council and its work. Thank you to all those who have helped us to get where we are today, and welcome to those who are just joining us!

Jason Pearson  
*Executive Director*

Sam Hummel  
*Director of Outreach & Operations*

Christina Macken  
*Director of Programs*
SPLC Approach and Programs

SPLC proposes a systematic approach to achieving leadership in sustainable purchasing. At the heart of this approach is an iterative, ongoing process of continuous improvement: 1) **analyze** overall organizational spending; 2) **action plan** by identifying proven strategies for action; 3) **implement** the plan; and 4) **measure** progress. The success of this iterative process depends upon an appropriate management and implementation infrastructure, typically requiring an organization to: A) **enlist** support from key internal and external stakeholders; B) **scope** activities, goals, roles, and responsibilities; and C) **structure** internal and external stakeholder engagement processes.

**SPLC’s Guidance, Training, and Community of Practice** are intended to support all of these activities. The recently released *Principles for Leadership in Sustainable Purchasing* are an example of a guidance resource. Training and community of practice resources include: the public SPLC Webinars, SPLC Cafés, and the 2014 Annual Meeting itself. The *Guidance for Leadership in Sustainable Purchasing* that we will release in December, 2014 will bring together the best currently available guidance that we are able to identify to support the above activities. For those organizations seeking to benchmark their performance over time and against peer organizations, SPLC proposes to create a **Rating System** that awards points or credits based on the level of leadership achieved through implementing the *Guidance*. Initial piloting of the Rating System will begin in January, 2015, based on the *Guidance* completed in 2014.
Principles for Leadership in Sustainable Purchasing

Version 1.0
April 28, 2014 Adopted
May 15, 2014 Minor revision to footnotes

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Contents

Introduction ........................................................................................................................................3
A Vision for Sustainable Purchasing .................................................................................................4
Principles for Leadership in Sustainable Purchasing .........................................................................5
  Principle #1: Understanding ..................................................................................................................6
  Principle #2: Commitment ......................................................................................................................7
  Principle #3: Results .............................................................................................................................8
  Principle #4: Innovation .........................................................................................................................9
  Principle #5: Transparency ...................................................................................................................10
Interpretations for Other Stakeholders ................................................................................................11
  Representative Actions for Suppliers of Products and Services .........................................................12
  Representative Actions for Standards and Certification Developers ..............................................13
  Representative Actions for Public Interest Advocates .......................................................................14
Notes and Definitions ..........................................................................................................................15
Introduction

These *Principles for Leadership in Sustainable Purchasing* were created by the Sustainable Purchasing Leadership Council, a multistakeholder initiative that brings together leaders from government, industry, academia, standards organizations and NGOs to develop an integrated guidance, benchmarking, and recognition program for institutional leadership in sustainable purchasing. By providing a common reference point for sustainability excellence, the *Principles* are intended to enable greater alignment and benchmarking of sustainable purchasing efforts across all types of organizations.

The *Principles* were developed through an 18-month multi-stakeholder process that engaged leading organizations from a number of sectors, and included the collection of more than 300 comments via public forums and a comment period. Version 1.0 of the *Principles* reflects the deliberation of a Technical Advisory Group (TAG) made up of SPLC members from the purchaser, supplier and public interest advocacy communities.

More information about the *Principles* is available at [www.purchasingcouncil.org/principles](http://www.purchasingcouncil.org/principles).

More information about the Council is available at [www.purchasingcouncil.org](http://www.purchasingcouncil.org).
A Vision for Sustainable Purchasing

The Sustainable Purchasing Leadership Council (SPLC) envisions a world where the production, distribution, use and disposal of goods and services enhance the long-term health and vitality of society, economies and the planet. SPLC supports and recognizes leadership in sustainable purchasing to accelerate the transition to an economically, socially and environmentally sustainable future.

The Sustainable Purchasing Leadership Council and its membership strive to define and accelerate environmental, social and economic (ESE) progress through sustainable purchasing. Organizational purchasing decisions send powerful economic signals up and down the entire supply chain, with ESE impacts throughout the lifecycle of purchased goods and services.

By adopting a consistent, practical definition of leadership in sustainable purchasing, organizations can collectively advance a positive future for society and the planet by using their purchasing power to promote marketplace innovation that delivers broad benefits to customers, suppliers, employees, investors, other stakeholders, and society at large. To this end, we define leadership in sustainable purchasing according to the following principles.
Principles for Leadership in Sustainable Purchasing

An organization\(^9\) demonstrates leadership in sustainable purchasing through:\(^{10}\)

**Understanding.** Understanding the relevant\(^{11}\) environmental, social, and economic (ESE) impacts of its purchasing.

**Commitment.** Taking responsibility for the relevant environmental, social, and economic (ESE) impacts of its purchasing by committing to an action plan.

**Results.** Delivering on its commitment to improve the relevant environmental, social, and economic (ESE) impacts of its purchasing.

**Innovation.** Actively promoting internal and external innovation that advances a positive future.

**Transparency.** Soliciting and disclosing information that supports a marketplace of innovation.

These criteria outline a framework for specific actions. The SPLC recognizes that timelines for achievement will vary across criteria and market sectors based on the availability of: tools and resources to implement representative actions; products and services that effectively improve the relevant ESE impacts of an organization’s purchasing; and practical tools and resources to measure that improvement.
Principle #1: Understanding

An organization demonstrates leadership in sustainable purchasing through:

Understanding.
Understanding the relevant environmental, social, and economic (ESE) impacts of its purchasing.

Representative Actions

- Quantify and analyze all aspects of organization-wide spend.\textsuperscript{12}
- Use best available science, information and expert knowledge to assess relevant impacts of its purchasing and identify priority spend categories\textsuperscript{13} across organization-wide spend.

Rationale

An organization must understand the relevant ESE impacts of its purchasing as a foundational step toward improving ESE impacts. The phrase “one cannot manage what one does not measure” begins at this stage of an organization’s process; understanding ESE impacts requires determining a baseline of the impacts associated with its current – and comprehensive - purchasing practices. This allows for measurement and reporting progress toward achievement later in the overall process. Quantifying and considering this data at the outset enables an organization to take the most meaningful and high impact actions. More broadly, information available at the outset of any process, including organizational purchasing, is critical to ensuring the best possible ESE outcomes attainable.
Principle #2: Commitment

An organization demonstrates leadership in sustainable purchasing through:

Commitment.

Taking responsibility for the relevant environmental, social, and economic (ESE) impacts of its purchasing by committing to an action plan.

Representative Actions

- Engage an integrated team\(^ {14}\) to develop an action plan\(^ {15}\) to improve the relevant ESE impacts of its purchasing.
- Identify actions that could most significantly improve relevant impacts of organization-wide spend.\(^ {16}\)
- Prioritize identified actions based on feasibility and potential to influence relevant ESE impacts.
- Agree on implementation timeline, responsible parties, performance targets\(^ {17}\) and management systems.

Rationale

Once an organization has comprehensive spend data and an understanding of how the data translates to ESE impacts, the organization is ready to plan and act upon that information. Determining the actions most appropriate should not be a unilateral decision; it requires engagement of stakeholders inside and outside the organization, including executive level staff, purchasing professionals, suppliers and customers. This team can more effectively determine the most appropriate course of action – short- and long-term – to make progress toward the organization’s ESE performance targets. At this stage, it is critical that goals and performance targets are tied to implementation, delegation of responsibilities, and changes to processes and management systems.
Principle #3: Results

An organization demonstrates leadership in sustainable purchasing through:

Results.
Delivering on its commitment to improve the relevant environmental, social, and economic (ESE) impacts of its purchasing.

Representative Actions

- Resource implementation of the action plan.
- Implement and track progress on actions that significantly improve the relevant ESE impacts of its purchasing.
- Provide guidance and training to internal and external parties responsible for actions.
- Support and use credible standards that meaningfully address the relevant ESE impacts of its purchasing.¹⁸
- Achieve meaningful improvements¹⁹ in the relevant ESE impacts of its purchasing.

Rationale

Once committed, an organization can begin to implement its plan and chart progress toward the goals targeted through their organizational commitment improving the relevant ESE impacts of its purchasing. This is an iterative process and should be regularly assessed to ensure the proposed steps and changes to internal processes indeed result in progress toward improving relevant ESE targets and other performance goals. Where there are gaps between plan implementation and results, it is critical that those leading the sustainable purchasing effort identify solutions to assist responsible parties in adjusting appropriately.
Principle #4: Innovation

An organization demonstrates leadership in sustainable purchasing through:

**Innovation.**

Actively promoting internal and external innovation that advances a positive future.

*Representative Actions*

- Reward staff for contributions to organizational leadership in sustainable purchasing.
- Continuously improve processes and best practices to improve the relevant ESE impacts of its purchasing.
- Use solicitation processes and specification formats that foster competition and innovation.
- Proactively support and defend a marketplace environment that promotes innovation.

*Rationale*

From the outset of an organization’s process to improve the relevant ESE impacts of its purchasing, it should be understood that innovation – including change and challenge to the internal and external status quo – is critical to advance a prosperous, socially just and sustainable future. Collaboration and creativity are necessary – and should be actively cultivated – to find the bold solutions necessary to advance a positive future. The Innovation Principle is an iterative step in the process as it represents the long-term, continuous improvement of an organization’s delivery on its commitment to improve the relevant ESE impacts of its purchasing.
Principle #5: Transparency

An organization demonstrates leadership in sustainable purchasing through:

**Transparency.**
Soliciting and disclosing information that supports a marketplace of innovation.

*Representative Actions*

- Measure and publicly report internal targets and timelines for and progress toward improving relevant impacts of purchasing, using best available methods and reporting frameworks.
- Prefer suppliers that publicly report targets and timelines for and progress toward improving their supply chain impacts, using best available methods and reporting frameworks.
- Share lessons and benefits of adopting and implementing sustainable purchasing policies.

*Rationale*

Transparency is a fundamental principle to build momentum for and create healthy market competition to improve relevant ESE impacts, internally within organizations and externally along the supply chain. Transparency is also a building block for collaboration; where some organizations are able to identify and implement best practices in certain ESE impact areas, others can quickly adopt these practices as appropriate. Transparency is also a key catalyst for innovation; market competitors can use this valuable information to improve the ESE outcomes of their supply chains and demonstrate ESE leadership in the development and delivery of their products and services.
Interpretations for Other Stakeholders

The SPLC’s *Principles for Leadership in Sustainable Purchasing* serve as a market signal for the type of environmental, social and economic criteria for which organizational purchasers will seek to improve their relevant impacts, through the most efficient and high-impact methods. Suppliers of products and services, standards and certification developers, and public interest advocates can use this document to position themselves as leaders, key informants and necessary stakeholders in the ongoing processes through which organizations will proceed to improve their relevant ESE impacts. In this spirit, representative actions are listed that each of these stakeholder groups can implement.
Representative Actions for

Suppliers of Products and Services

A supplier of products and services supports leadership in sustainable purchasing through the following representative actions.

• **Understand, engage, and invest in research and development** based upon the relevant ESE impacts of its products and services.

• **Provide products and services** that exceed industry standard performance along quantifiable ESE metrics (defined elsewhere in this document).

• **Meet or exceed credible standards, provide transparent and accurate claims**, and **seek third-party validation** of relevant ESE supply chain impacts and claims.

• **Demonstrate** how products and services may help purchasers achieve strategic objectives and ESE performance targets.

• **Track, evaluate, and report metrics and non-competitive insights** on product and service performance on relevant ESE impacts, using clear, transparent and easy-to-interpret methods.
Representative Actions for

Standards and Certification Developers

A standard or certification developer supports leadership in sustainable purchasing through the following representative actions.

• **Harmonize, where appropriate, standards and certification programs** with identified ESE impacts.

• **Invest in the research and development of quantitative metrics** for ESE impact where none exist.

• **Evaluate and promote suppliers** of products and services that have been validated to meet or exceed industry standard performance along relevant ESE impacts.
Representative Actions for

Public Interest Advocates

A public interest advocate supports leadership in sustainable purchasing through the following representative actions.

• **Invest in the research and development of quantitative metrics** for ESE impacts where none exist.

• **Raise awareness of relevant ESE impacts** of products, services, or specific aspects of the supply chain in which the organization is a recognized expert.

• **Advocate for and promote suppliers** of products and services that invest in research and development and demonstrate progress based upon relevant ESE supply chain impacts.

• **Advocate for public and private incentives** for the research, development and delivery of products and services that improve relevant ESE impacts and accelerate return on investment for purchasers.
Notes and Definitions

These notes and definitions are an integral part of the *Principles*.

1. Includes trade.

2. The **environmental dimension** of sustainability refers to the importance of maintaining the natural systems on which life (and our markets) depends, now and in the future. Opportunity areas for influencing systemic environmental impacts might include, but are not limited to: 1) typical lifecycle assessment indicators including GHG emissions, water use, ozone depletion, etc., 2) human health impacts, including reduction of intrinsic hazards, or 3) biodiversity and habitat protection.

3. The **social dimension** of sustainability refers to the importance of maintaining the social systems on which society (and our markets) depends, now and in the future. Opportunity areas for influencing systemic social impacts might include, but are not limited to: 1) supply chain impacts such as child labor, worker rights, wages, and respect, working conditions, etc., or 2) localized impacts such as impact on community infrastructure and social fabric or 3) workplace impacts such as providing childcare services or alternative working arrangements for employees with children.

4. The **economic dimension** of sustainability refers to the importance of maintaining the economic systems on which financial systems (our markets) depend, now and in the future. Economic sustainability is measured at the system – as opposed to the firm, enterprise or organizational – level. Opportunity areas for influencing systemic economic impacts might include, but are not limited to: 1) reducing monopolistic behavior by supporting regulatory frameworks and oversight; 2) minimizing inaccurate information that distorts market operations by reporting transparently all (on- and off-balance sheet) transactions; or 3) improving inefficient supply chains by encouraging its suppliers to participate in data pooling.

5. A **supply chain** is the entire system of organizations, individuals, information, and resources involved in the process of converting raw materials into goods or services and delivering those goods or services to a customer.

6. **Impacts** of a purchased good or service include all of the direct or indirect consequences of production, distribution, use, and disposal of that good or service. Impacts may be positive or negative, and improving impacts includes both enhancing positive impacts and reducing negative impacts.

7. The **lifecycle** of a good or service includes raw materials extraction, manufacturing, distribution, use, and disposal.

8. In the United States alone, purchasing (including government, households, and exports) is approximately $15.2 trillion annually, representing the largest driver of final consumption in the world. Household expenditures include roughly $7.5 trillion annually for services (i.e. health care, housing, electricity, financial services and insurance, food, transportation, recreation, education, communications, personal care and hospitality services). U.S. Government purchasing accounts for roughly $2.6 trillion annually. Together, these sectors account for approximately $10.1 trillion of spend within the U.S. economy annually. *(Source: US Department of Commerce, Bureau of Economic Analysis; 2011 data)*
Notes and Definitions, continued

9 It is assumed, as foundational to these criteria, that organizations follow all applicable laws and operate with business integrity.

10 No ranking is implied in the order of criteria.

11 **Relevant impacts** are the most significant social, environmental, and economic impacts of a product, process, business or service. In the case of a purchasing organization, relevant purchasing impacts are the most significant environmental, social and economic impacts of the organization’s purchasing. (cf. *ISEAL Credibility Principles*)

12 **Organization-wide spend** refers to all of an organization’s annual purchases of goods and services, including capital expenditures and long-term contracts for goods and/or services, but excluding employee costs and investment in financial instruments. Organization-wide spend includes both direct (goods for resale) and indirect (goods not for resale) procurement.

13 **Priority spend categories** are those categories of spend where an organization has an opportunity to significantly improve relevant category impacts, whether by virtue of volume of category spend, intensity of impact, or both.

14 An **integrated team** should ideally include executive-level staff, budget-holders, purchasing staff, suppliers, and customers.

15 An **action plan** is a plan for sustainable purchasing and risk management addressing all relevant impacts of organization-wide spend.

16 **Actions that improve impacts** may include, but are not limited to: exploring alternatives to purchasing such as servitization; achieving operational efficiencies that reduce the need for purchasing; preferring goods and services that improve relevant impacts; and preferring suppliers based on their track record for improving relevant impacts.

17 **Performance targets** are specific goals for an organization to achieve by a specific date. Wherever possible, goals should be stated in terms of quantitative changes in relevant purchasing impacts.

18 **Credible standards** are robust, measureable, transparent standards that promote continuous improvement in relevant impacts for a defined category of goods and/or services.

19 **Meaningful improvements** are changes in relevant purchasing impacts that represent a significant improvement as measured against past performance and/or against the performance of comparable peer organizations.

20 **Strategies for competition and innovation** may include, for example: open solicitations; performance-based—as opposed to prescriptive—specifications; preferring suppliers that support marketplace transparency; providing ’bonus’ points for exceeding basic requirements.

21 **Support for a marketplace of innovation** includes actively supporting government regulations that promote a marketplace of innovation and withholding support from organizations that seek to discourage a marketplace of innovation.

22 Including appropriate use.
A NEW ERA FOR GREEN PROCUREMENT

Sustainable procurement work has never been more exciting. New data, science, and processes are coming together with years of on-the-ground experience to create a new paradigm. A higher education pilot project is laying the groundwork for a sustainable procurement leadership recognition program, modeled on the USGBC’s LEED rating system.

by SAM HUMMEL

In the early days of the “green” purchasing movement, institutional procurement professionals only had to focus on a few product attributes, such as recycled content, or on a few eco-labels, such as FSC-certified wood. In fact, of the more than 400 eco-labels tracked by Ecolabel Index today, only 25 pre-date 1996. In addition to navigating the explosion in eco-labels, buyers are now expected to take into account the impact of products throughout their lifecycle. What are the waste, water, and air pollution impacts during manufacture? What about during their use? And what happens at the end of their useful life? Taking all these impacts into account requires matching them up with credible eco-labels or standards that certify those impacts have been mitigated to a specified degree. It also requires having a plan for the reuse, recycling, or safe disposal of the product at the time of purchase.

Environmental factors are no longer the only points of emphasis for the responsible purchasing movement, however. Thinking more holistically, “sustainable procurement”
requires taking into account the economic and social impacts of products as well as environmental impacts throughout their lifecycle. Total cost of ownership accounting helps institutions avoid buying a product whose lower up-front cost is more than offset by inefficient power consumption that drives up utility bills during the product’s use or the inclusion of toxins that incur hefty disposal fees. Buying local strengthens the community in which an institution resides. Similarly, buying from historically underutilized businesses, such as those owned by women and minorities, returns resources to the communities in ways that better reflect the demographics the institution serves. Ensuring that products are not manufactured in sweatshops supports employers that provide healthy working conditions while also reducing the institution’s risk for bad publicity.

When all of these factors are combined, the resulting synergy often produces elegant and unexpected solutions that are a win-win-win from a social, environmental, and economic perspective. While implementing a green cleaning program, Rutgers University reduced its annual cleaning chemical costs more than 20 percent by simplifying the number of chemicals in use and by metering portions so there was less waste. Because workers were no longer being exposed to harsh chemicals, the institution reaped a further savings in lower worker compensation insurance premiums. “The janitorial staff liked the new products so much they wanted to take them home, so we set up a program for them to purchase them at a discount,” recalls Kevin Lyons, director of the Supply Chain Management program at Rutgers Business School and author of Buying for the Future: Contract Management and the Environmental Challenge.

**COMPLEXITY COMPOUNDED**

**UNTIL NOW, IT HAS BEEN THE RESPONSIBILITY of each institution to pull all of these pieces together into a coherent sustainable procurement program. Typically, institutions interested in starting such a program are advised to form a stakeholder group, review the best practices and policies at peer institutions, draft a sustainable procurement policy that defines what purchases count as sustainable, design a program to implement the policy, and determine metrics for measuring the program’s success. Most institutions could execute that process, and leadership recognition program for sustainability in institutional procurement. The need is clear and the list of potential benefits is long, as indicated in the sidebar on page 11. Just as LEED allowed building professionals without sustainability science degrees to create buildings that make sustainability scientists swoon, a similar program for institutional purchasing can empower procurement professionals to produce dramatic benefits for the planet, society, and their institution’s bottom line — without their needing to be experts in the science of life cycle assessments.

A pilot project launched this summer by the Green Products vendors and makes it difficult for institutions to share the cost of training. And when it comes time to trumpet the accomplishments of the program, it’s difficult to do so in a way that is widely recognized.

**BOTTOM-LINE RESULTS**

**AS A VOLUNTARY STANDARD THAT IS DRIVEN BY LEADERSHIP RECOGNITION. WILL THE SAME MODEL WORK FOR SUSTAINABLE PROCUREMENT? WE CAN ONLY FIND OUT BY TRYING.**

**LEED HAS BEEN INCREDIBLY SUCCESSFUL**

The complexity of the marketplace and policy environment grows, so too do the pressures to deliver results. While stakeholders in the past might have been satisfied to see their institution bump up the recycled content in its copier paper, now they want to know more. How big was the impact of that change? Given that paper use continued to rise, did the switch actually produce a net benefit? What’s the total impact of the institution’s purchases? Is it going up or down? How can we cut it in half? In many cases the procurement staff don’t have the data or the scientific backgrounds to answer these questions, but these are the kinds of questions that must be answered if an institution is serious about sustainability.

Institutional stakeholders aren’t the only ones asking questions. Procurement staff are increasingly being asked to report sustainability spend data to third parties. In 2011, 30 percent of the respondents to an annual Green Procurement Survey conducted by the National Association for Educational Procurement (NAEP) said they are now reporting their “green spend” to external parties, up from 19 percent just a year prior. Naturally, in the absence of a standardized sustainable procurement assessment tool, each third party is asking for the reporting of similar but different data.

**A NEW PARADIGM**

The time appears to be ripe for a standardized assessment and leadership recognition program for sustainability in institutional procurement. The need is clear and the list of potential benefits is long, as indicated in the sidebar on page 11. Just as LEED allowed building professionals without sustainability science degrees to create buildings that make sustainability scientists swoon, a similar program for institutional purchasing can empower procurement professionals to produce dramatic benefits for the planet, society, and their institution’s bottom line — without their needing to be experts in the science of life cycle assessments.

A pilot project launched this summer by the Green Products
Roundtable (GPR) and the Association for the Advancement of Sustainability in Higher Education (AASHE) intends to explore exactly how such a program might work. The project will use the best available science and knowledge from the field to assess the effectiveness of the procurement credits in AASHE’s Sustainability Tracking, Assessment & Rating System (STARS), a transparent, self-reporting framework that more than 300 colleges and universities are now using to assess their sustainability performance. As Chris O’Brien, American University’s director of Sustainability and STARS Steering Committee member, observes, “The STARS procurement credits are filling in the gap in the absence of a comprehensive procurement assessment tool, so we want to know that STARS is prioritizing the right things.”

The pilot project grew out of a public meeting GPR hosted this past January in Washington, DC. The roundtable group, convened by The Keystone Center and made up of institutional purchasers, manufacturers, retailers, standards developers, environmental groups, and government liaisons, was just wrapping up four years of intensive work tackling difficult and foundational questions such as, “What is a green product?” and “How do you know if an eco-label is credible?” and “How should organizations prioritize product areas of concern?” The group’s dialogue and research had produced a powerful decision-making “framework” that it believed could answer those questions, and many more, by strategically combining the best available science, current knowledge from the field, and real-world procurement data (see the infographic on pages 12-13).

At the public meeting, GPR presented a draft business plan for a new nonprofit that would help institutional procurement professionals evaluate the environmental claims of products. But, as Jason Pearson of TRUTHstudio, a strategy consultancy that helped to develop the business plan and continues to coordinate the project, recalls, “We heard loud and clear from the institutional representatives present that they wanted more than just a method for evaluating products. They wanted a program that would guide and recognize institutional leadership in procurement.”

WHILE THE PILOT PROJECT’S SHORT-TERM GOAL is to evaluate the existing STARS procurement credits using the GPR framework and recommend how they could be improved in future versions of STARS, a secondary goal is to sketch out what a standalone assessment and leadership recognition program for sustainable institutional procurement might entail. Given that the lowest impact purchase is an avoided purchase, how would the assessment tool recognize and reward source reduction and in-sourcing — in addition to buying preferable new products? End-user education also needs to be evaluated and rewarded because misuse of a preferable product can have a big negative impact while education can multiply positive benefits by influencing end users’ own purchasing decisions.

EMPOWERING PROCUREMENT PROFESSIONALS

BENEFITS OF A STANDARDIZED ASSESSMENT AND LEADERSHIP RECOGNITION PROGRAM FOR INSTITUTIONAL PROCUREMENT (MODELED ON LEED)

 lowers the cost of starting and running a sustainable procurement program by:

- providing common definitions and shared language for purchasers and vendors;
- allowing procurement staff to deliver high sustainability performance without needing to become sustainability experts;
- making possible standardized training programs that can be shared;
- easing data collection and reporting to third parties via standardized assessment tools, particularly if rating systems such as STARS and LEED adopt the program as their reference standard; and
- making it easier to communicate and achieve recognition for efforts.

enhances the effectiveness of sustainable procurement programs by:

- keeping users of the program updated with the best science and knowledge from the field so that efforts are always aligned with the greatest potential for benefit;
- rewarding and building market share for credible standards and eco-labels, which lowers prices and enhances choice by focusing vendor attention on those standards;
- producing a shared dataset that can be used for benchmarking, demonstrating ROI, and improving assessment tools over time;
- focusing research and resources on collective projects to solve the thorniest issues facing sustainable procurement; and
- by placing emphasis on whole system aspects of procurement, such as source-reduction, insourcing, end-user education, and waste minimization.

Looking Long Term

While the pilot project’s short-term goal is to evaluate the existing STARS procurement credits using the GPR framework and recommend how they could be improved in future versions of STARS, a secondary goal is to sketch out what a standalone assessment and leadership recognition program for sustainable institutional procurement might entail. Given that the lowest impact purchase is an avoided purchase, how would the assessment tool recognize and reward source reduction and in-sourcing — in addition to buying preferable new products? End-user education also needs to be evaluated and rewarded because misuse of a preferable product can have a big negative impact while education can multiply positive benefits by influencing end users’ own purchasing decisions.
If this second part of the project goes well, the plan is to build a multistakeholder organization to develop and implement the standalone assessment tool and leadership recognition program. To be successful in that effort, the project will need the wisdom and participation of procurement trade associations, group-purchasing organizations, vendors, government agencies, educational institutions, standards developers, manufacturers, service providers, software and ERP vendors, and nonprofits focused on social and environmental issues. If you or your organization would be interested in participating in the pilot, or being kept in the loop as it proceeds, the project team would welcome your involvement (contact purchasing@aashe.org).

**ACCOMMODATING VARIATION**

**GIVEN THE WIDE VARIATION** between institutions and what they buy, it’s reasonable to wonder if a standardized approach is possible. In
LEED’s early days, many wondered the same thing about the wisdom of taking a standardized approach when assessing the sustainability of building projects that varied greatly in terms of scale and locale. In response, LEED was designed to accommodate variation while providing clear guidance on the highest priority impact areas, which are shared by the majority of building projects.

The variability in institutional procurement has a similar dynamic. As Duff Erholtz observed in CP&M last September, “Every school is different and has many unique needs. Yet, the vast majority of purchases one school makes are the same as those purchased by every other school. We all need flooring, furniture, office supplies, copiers and the like.” Similar to LEED, a standardized assessment tool for sustainable procurement will need to accommodate the various spend profiles of large, small, private, public, residential, and non-residential institutions, prioritizing and providing clear guidance on the highest impact product categories that are shared by the majority of institutions while at the same time providing room for innovation. How that will work is the sort of thing the pilot project will be exploring with the help of the GPR framework.

**WORTH A CHANCE**

Writing for the Institute for Supply Management’s eSides newsletter in 2009, Kady Srinivasan said, “A significant need exists for standardized, solid practices, metrics, and frameworks to help you establish a business case for green products and methods to cost-efficiently implement those practices.” Filling that need for standards can be tricky business, given that there are few things that make people and organizations more uncomfortable than the prospect of someone else telling them what’s best. LEED has been incredibly successful as a voluntary standard that is driven by leadership recognition. Will the same model work for sustainable procurement? We can only find out by trying. Given the excellent groundwork that’s been laid, now is the time to give it a chance.

Sam Hummel is with the Association for the Advancement of Sustainability in Higher Education (AASHE, www.aashe.org). Previously, he was Duke University’s Environmental Sustainability coordinator, where he wrote the University’s Environmentally Preferable Purchasing Guidelines.