



Working Group Charter: Principles TAG DRAFT 2013.11.14

Purpose

The purpose of this Working Group is to finalize Principles for Leadership in Sustainable Purchasing, which will act as a common vision and reference point for sustainable purchasing.

Background

The current draft (v0.5) of the Principles for Leadership in Sustainable Purchasing has been prepared by Steering Committee members, informed by input from workshops at the B4E Summit (Germany, May 2012), at Greenbiz Forum (New York City, Feb 2013), and at the Corporate EcoForum (Chicago, May 2013) and the Founders Summit (Washington DC, Aug 2013). The TAG will recommend final principles; the role of the Principles in the Council's work; additional uses; and options for supplementary materials.

Relevance

The Principles are a foundational document in the Council's work to provide **guidance, measurement, and recognition** for leadership in sustainable purchasing. For the SPLC itself, the Principles define a 'moral compass' for the work of the Council, guiding collaboration among participants in Council activities. As part of the **guidance** offered by the Council, the Principles offer an aspirational, long-term, leadership vision for organizations to pursue through continuous improvement, with no specific timeline or ranking intended or implied. They are intended to encourage an approach to purchasing that adds direct value for individual organizations and indirectly supports the sustainability of communities and the natural systems on which they depend. They provide an initial framework that could be used to organize future work on measurement tools, and they articulate the level of ambition that the Council expects purchasers to embrace in order to be **recognized** for leadership.

Activities

The following activities will precede creation of the TAG:

- Nominate a Chair, Vice Chair and Staff Lead for the project
- Write a Charter for the TAG. Ratify charter with Executive Committee (in lieu of Board)
- Solicit TAG participation from members, including Founders.
- Select a balanced group of members to serve on the TAG.

The following activities will be undertaken by the TAG:

Create working draft

1. Staff and Chair of TAG conduct brief **review and analysis** of existing SPLC principles, definitions and other purchasing-related principles, pulling out common themes and noting differences.
2. Staff and TAG Chair to create a **revised version** of the Principles (V.06) in response to the feedback received at the Founders Summit, including:
 - a. More emphasis on buying from socially responsible companies
 - b. Inclusion of social issues relevant to supplier diversity, HUB, women-owned businesses, worker safety
 - c. Put into the preferred format: "title plus one explanatory sentence" (as is utilized by USGBC & as recommended at Founders Summit)

Revise draft, as appropriate

3. **Poll** members about key terms requiring common definition (based on GPR glossary list).
4. **Meeting 1:** Online meeting with TAG talking through each of the Principles in V.06, supporting definitions needed as a result of the poll, and the plan in place for finalizing them.
5. Staff and Chair to revise principles based on input, add explanatory text under each
6. **Meeting 2:** TAG to review revised draft, make edits, review supporting definitions, come to consensus.

7. Post principles and definitions for **public comment** on SPLC website for 30 days. Each TAG participant to post for comment through their respective channels, SPLC also to promote to members and beyond.
8. Staff to gather and analyze feedback from public comment
9. **Meeting 3:** Hold a final online meeting to review public comments, refine principles and definitions.

Adopt and launch final Principles

10. SPLC Board of Directors to adopt the Principles as an SPLC work-product and approve its release
11. SPLC Staff to create outreach plan for publishing and promoting completed Principles and definitions via TAG, members, and other channels
12. Launch Principles publicly.

Timeline

		2013				2014				
		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
1	Founders Summit Workshop									
2	Nominate lead/staff									
3	Create & Adopt Charter									
4	Invite TAG members									
5	Meeting 1									
6	Meeting 2									
7	Public Comment									
8	Meeting 3									
9	Ratify by Board									
10	Launch Principles									
11	Promote									

Participants

All members of the Council are eligible to apply for a seat on the TAG. Based on applications received, the SPLC Executive Committee will make a final determination about the number of seats allocated for each member role (Purchaser, Supplier, Public Interest). The TAG will meet the balance and representation requirements outlined in the Council’s Operating Policies and Procedures.

Policies

The Operating Policies and Procedures of the Council will guide the TAG.

Management Role(s)

The TAG will have a Chair and Vice Chair, both of whom must be members of the Council. The Chair and Vice Chair will collaborate with the Staff Lead in managing the work of the TAG.

Staff Contact

The Staff Lead will be Jason Pearson.

Voting

The TAG will use proportional, role-based voting as outlined in the Membership Policies & Procedures and Operating Policies & Procedures of the Council.

Other Information

Draft 0.5 of the Principles is provided as an attachment.

Principles for Sustainable Purchasing v0.5 2013.11.01

Context. Purchasing is a critical, strategic function for organizations of all types and sizes. What and where we do or don't buy—and what we do or don't ask of our suppliers—sends signals, positive or negative, up and down the value chain of goods and services. The Sustainable Purchasing Leadership Council is a community of professionals dedicated to using the power of purchasing to enhance local and global quality of life. The Council works to provide guidance, measurement, and recognition for organizations exercising leadership in sustainable purchasing.

Purpose. The Council has drafted these Principles to act as a **common vision** to guide collaboration among participants in Council activities. These principles define a 'moral compass' for the work of the Council itself and can also be used as a guideline for analysis and action by individual organizations. The Principles offer an aspirational, long-term, leadership vision for organizations to pursue through continuous improvement, with no specific timeline or ranking intended or implied. They are intended to encourage an approach to purchasing that adds direct value for individual organizations and indirectly supports the sustainability of communities and the natural systems on which they depend.

Uses. The Principles **should** be used as a reference point for goal-setting, strategic planning, and technical guidance development. The Principles **should not** be used as a checklist or measurement system, nor do they provide sufficient detail to act as technical guidance for actions or decisions.

Principles for Leadership in Sustainable Purchasing v0.5

An institution exercising leadership in sustainable purchasing...

- 1 **Exceeds baseline requirements** for performance and/or cost of purchased goods and services;
- 2 **Takes responsibility** for the full life cycle consequences of final goods and services¹ purchasing;
- 3 **Creates benefits** for purchaser, supplier, community, society, and planet wherever possible;
- 4 **Reduces material consumption** and **reuses materials** to the extent possible and appropriate;
- 5 **Rewards innovation**, best practices, and continuous improvement internally and externally;
- 6 **Rewards demonstrated social responsibility** among its suppliers;
- 7 **Embeds supplier diversity** as a core value in its purchasing policies;
- 8 **Promotes a credible marketplace** of requirements, standards, claims, and information management;
- 9 **Prioritizes action** based on the materiality² of specific purchasing categories relative to overall spend;
- 10 **Connects purchasing** with other functions and business units to achieve strategic objectives;
- 11 **Accounts for the full life cycle**³ economic, social, and environmental costs of goods and services;
- 12 **Integrates best available knowledge and science** to support decision-making;
- 13 **Tracks, evaluates, and reports** performance and non-competitive insights on a regular basis; and
- 14 **Advocates for government policies**, as appropriate, that promote sustainable purchasing.

¹ Final goods and services are goods and services purchased for final consumption/use by the purchasing entity.

² For the Council, materiality is understood as a measure of the full life cycle economic, social and environmental costs of purchasing, adjusted to account for an organization's level of meaningful influence over these costs.

³ Full life cycle costs include the economic, social, and environmental costs of any material extraction, processing, manufacturing, distribution, use, and disposal activities associated with purchases of goods and services.