

Policy Title: Sustainable Procurement

Policy Number: 03-06-09

Section:	Corporate Administration	Subsection:	Acquisition/Disposal of Good and Services
Effective Date:	January 1, 2018	Last Review Date:	[Last Review]
Approved by: Council	Owner Division/Contact: Materiel Management Division, Corporate Services Department		

Policy Statement

The City of Mississauga is committed to continuously improve the social and environmental impacts of its procurement of Goods and Services in a transparent and accountable way that balances fiscal responsibility, social equity and environmental stewardship.

Purpose

This Sustainable Procurement policy is intended to:

- Define Sustainable Procurement
- Communicate the City’s commitment to Sustainable Procurement
- Identify the sustainability aspects for consideration within procurement processes
- Empower staff to be innovative and demonstrate leadership by incorporating sustainability aspects into the procurement of Goods and Services
- Identify roles and responsibilities in the implementation of Sustainable Procurement, and
- Position Sustainable Procurement within the context of the City’s Strategic Plan and Living Green Master Plan

Scope

This policy applies to the procurement of all Goods and Services required by the City.

This policy supplements the Purchasing Bylaw 0374-2006 and Corporate Policy and Procedure - Environment and Conservation - Corporate Environmental Principles.

Definitions

For the purposes of this policy:

“Buyer” means a Buyer in the City’s Revenue & Materiel Management Division who is assigned responsibility for a particular acquisition.

“Contract Manager” means a City employee who has been authorized and assigned the responsibility of overseeing a particular bid or contract.

“Environmental Specialist” means City staff with environmental expertise, such as but not limited to Energy Management, Facility and Property Management, Corporate Services Department; the Environment Division, Community Services Department; and Environmental Services, Transportation & Infrastructure Planning Division, Transportation and Works Department .

“Goods” means goods of all kinds, including both tangible and intangible goods, including but not limited to supplies, materials, equipment and licences.

“Purchasing By-Law” or “By-Law” means the City’s By-Law 374-06, as amended, which pertains to the acquisition of Goods and Services and the disposition of surplus Goods.

“Services” means services of all kinds, including labour, construction, maintenance and professional and consulting services.

“Sustainable Procurement” means considering social and environmental factors in the procurement process, in addition to traditional factors such as price, quality and service. It addresses both the sustainability factors related to specific Goods or Services and the practices of suppliers along the supply chain. Sustainable Procurement considers total costs (e.g., purchase, operating/maintenance, disposal or recycling costs) and supports ‘Best Value’ procurement.

Roles & Responsibilities

Director, Revenue & Materiel Management

The Director, Revenue and Materiel Management is accountable for:

- Ensuring all applicable managers/supervisors are aware of this policy and of any subsequent revisions
- Program performance, including managing program planning and resourcing
- Monitoring and evaluating performance metrics, and
- Reporting to Council and the public on Sustainable Procurement progress annually for three years from the effective date of this policy and regularly thereafter

Manager, Materiel Management

The Manager, Materiel Management is accountable for:

- Ensuring applicable staff are aware of this policy and of any subsequent revisions
- Executing this policy and supporting procedures
- Managing program roll-out and organizational planning and capacity building, including providing support to Buyers, as required
- Providing training and/or support to managers/supervisors, as requested

- Managing programs that support suppliers to improve their sustainability practices
- Identifying opportunities for collaborative work, within legal boundaries
- Recommending resourcing, and
- Coordinating implementation of Sustainable Procurement activities

Managers/Supervisors

Managers/supervisors with staff who are responsible for purchasing are accountable for:

- Ensuring staff in their respective work units are aware of this policy and any subsequent revisions
- Ensuring applicable staff are trained on this policy, as well as any subsequent revisions, with respect to their specific job function, and
- Ensuring staff comply with this policy

Buyers

Buyers are accountable for:

- Complying with this policy and supporting procedures
- Developing subject matter expertise, with support from the Manager, Materiel Management, as required
- Championing Sustainable Procurement to client departments
- Coordinating market analysis and research, and
- Applying best practice procurement tools

All Employees

All Employees are accountable for:

- Complying with this policy and supporting procedures
- Identifying opportunities for sustainability when planning for procurement
- Recommending specifications, and
- Engaging in risk and opportunity and total cost of ownership analysis

Contract Managers

Contract Managers are accountable for monitoring supplier performance and ensuring sustainability compliance.

Environmental Specialists

The City's Environmental Specialists are accountable for:

- Recommending specifications, and
- Engaging in risk and opportunity analysis

Sustainable Procurement Principles

The City's guiding sustainability principles are to:

Be Accountable and Transparent

- Be transparent in our approach to Sustainable Procurement and inform suppliers and other impacted stakeholders about our Sustainable Procurement methods and decision making

Consider all Costs and Impacts

- Consider the total cost incurred over the Goods or Service life (“Total Cost of Ownership”), value for money achieved (“Best Value”) and the lifecycle benefits and impacts on society, the environment and economy resulting from procurement activities (“Lifecycle Cost”), and
- Seek to be proactive in preventing potential short and long-term environmental and social risks

Collaborate and Influence

- Collaborate with peer organizations to achieve Sustainable Procurement objectives in our shared supply chains
- Encourage and support suppliers to continually improve their sustainability practices and outcomes, and the sustainability impacts of their Goods and Services and supply chain, where possible and appropriate, and
- Work with internal and external stakeholders to implement this policy and evolve it over time

Consider Procurement Alternatives

- Seek to reduce demand through efficient use
- Consider possible alternatives to buying new Goods, including reuse, sharing between divisions, refurbishing, appropriate order quantity, leasing rather than buying, and
- Consider dividing large and multiple category contracts to provide greater access to bidding opportunities for suppliers of all sizes, while operating within the perimeters of the By-Law

Aim for Continuous Improvement

- Work towards continually improving our Sustainable Procurement practices and outcomes, meeting or exceeding best practices in Sustainable Procurement, and
- Review and update the Sustainable Procurement policy a minimum of every three years

Sustainable Procurement Commitments

The City is committed to:

- Seeking Goods and Services that meet the City’s requirements and deliver sustainability benefits
- Seeking suppliers that have leading sustainability practices in their governance, supply chain or operations
- Setting minimum standards for human rights and fair labour, health and safety and environmental practices in the procurement process, as per the standards in our Supplier Code of Conduct (see Appendix A)

- Including environmental and social considerations in procurement evaluations when scored criteria are applicable
- Collaborating with our supplier community to foster improved sustainability practices
- Using procurement to advance sustainability innovations via pilot and demonstration projects
- Ensuring staff have the resources needed, including training and funding, to support the implementation and ongoing application of this policy
- Collaborating with other local public sector buyers on shared Sustainable Procurement goals, and
- Monitoring and publicly reporting on implementation progress

Sustainable Procurement Practices

The City will consider sustainability in its procurement processes, measure its progress and strive for continuous improvement over time. While not all sustainability aspects will be incorporated into every purchase, it is the intent of this policy that City employees will endeavour to incorporate and balance all relevant factors to the maximum extent possible.

The City will consider both the lifecycle impacts of the Goods and Services that are purchased, as well as the sustainability practices of its suppliers. The sustainability aspects that may be considered for any procurement include, but are not limited to:

- Environmental aspects, including purchasing Goods and Services from suppliers that:
 - Reduce material use, waste and packaging and promote reuse, recycled content, recyclability, reparability, upgradability, durability, biodegradability and renewable products
 - Maximize energy efficiency
 - Reduce greenhouse gas (GHG) emissions and air pollution, mitigate climate change and support climate change adaptation
 - Conserve water and/or improve water quality
 - Reduce or eliminate the use of toxins and hazardous chemicals, and
 - Contribute to biodiversity preservation and habitat restoration
- Social aspects, including purchasing Goods and Services from:
 - Suppliers, including social enterprises, which provide employment and training for youth and people with employment barriers (e.g. people with disabilities, new immigrants, chronically unemployed, ex-offenders, etc.)
 - Suppliers that demonstrate best practices in workplace diversity, inclusion and accessibility (e.g., women, indigenous, minority-owned businesses or businesses owned by persons with disabilities)
 - Suppliers that make and or sell Goods that are certified Fairtrade (i.e., distinguished by the independent consumer product label that meets the international Fairtrade

Standards, meaning the product has been certified to offer a better deal to the farmers and workers involved), and

- Suppliers with good health and safety work place practices
- Ethical aspects, including purchasing Goods and Services from:
 - Suppliers that exhibit fair labour practices and respect human rights in alignment with the City’s Supplier Code of Conduct (see Appendix A)

Monitoring and Evaluation

Material Management will:

- Monitor policy implementation and achievement of Sustainable Procurement goals and targets
- Measure progress on implementing Sustainable Procurement at a process level (i.e., measuring and tracking when the policy is being applied), and
- Work toward measuring the outcomes and impacts of Sustainable Procurement (e.g., environmental benefits, cost savings, skills development, employment opportunities, etc.)

Revision History

Reference	Description
GC-0357-2017 – June 21, 2017	Effective date – January 1, 2018

Sustainable Procurement Policy – Appendix A

Supplier Code of Conduct

The City of Mississauga requires suppliers to comply with this Supplier Code of Conduct which defines minimum standards for suppliers and their subcontractors and is based on the International Labour Organization (ILO) core labour conventions:

Forced Labour

No forced labour, whether in the form of prison labour, indentured labour, bonded labour or otherwise shall be used.

Child Labour

No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

Harassment or Abuse

Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

Non-Discrimination

No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin or any other ground of discrimination prohibited by law.

Health and Safety

Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.

Employment Issues

Employers shall work directly with employees and/or their bargaining agents as appropriate to find solutions to any outstanding legal and employment issues.

Wages and Benefits

Employers recognize that wages are essential to meeting employees' basic needs. Employers shall pay employees at least the minimum wage required by local law and shall provide legally mandated benefits.

Hours of Work

Workweeks are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations.

Overtime Compensation

In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such rate as is legally required in the country of manufacture or service delivery.

Environmental Responsibility

We seek out suppliers committed to environmental responsibility. Each supplier shall consider their own 'in-house' environmental practices (e.g., waste reduction), environmental certifications and information on the specific kind of materials they use in manufacturing their products or delivering their services, to minimize the negative impacts on the environment. Suppliers must not be in violation of any environmental laws in the country where the supplier operates.

Product Safety

Suppliers shall comply with all applicable laws and regulations regarding safety of products.

Subcontractors and Their Sources

We require all businesses that support our business as subcontractors, manufacturers or sources of goods to comply with all of the same policies stated in the City of Mississauga's Supplier Code of Conduct. All subcontractors and their suppliers are required to comply with all applicable and national laws. Direct suppliers to the City are expected to monitor their subcontractors, manufacturers or sources of goods for meeting or exceeding the City of Mississauga's Supplier Code of Conduct and supply chains are expected to be transparent and traceable.