

# The journey towards strategic sustainable procurement

Benchmarking of 40 organisations assessed on their alignment with ISO 20400:2017—*Sustainable Procurement—Guidance*

August 2019

**action**sustainability 



# Foreword

ISO 20400, the first international guidance standard on sustainable procurement, was published in April 2017. For those like us who contributed to the development of the standard, it's been an incredible story of collaboration involving 52 countries, 11 international organisations, 6 international meetings and thousands of hours of consultation and negotiation. We're all very proud of what we achieved: ISO 20400 is a comprehensive, flexible and consensus-based guidance document that can be used anywhere in the world, regardless of an organisation's size and industry.

Two years have passed since the publication of the standard. So far, we've seen it used to inform policies and regulations, education and research, rating tools and product certifications, suppliers code of conduct and sustainability strategies, sourcing requirements and contractual KPIs... Have a look at the free, non for profit [www.iso20400.org](http://www.iso20400.org) to discover a wide range of initiatives from across the globe!

As an advisory firm specialised in sustainable procurement, we have helped 40 organisations in the UK, Hong Kong and Australia to understand their current alignment with ISO 20400 and how they could use it to implement sustainable procurement that creates both business and societal value. This benchmarking study gives you an overview of what we found and learnt through this process, with a focus on 10 success factors of your sustainable procurement journey.

Sustainable procurement is still a small movement and we need more organisations to understand the importance of it to drive the UN Sustainable Development Goals. The size of environmental and social global challenges requires large scale change and we all need to share knowledge. This is a modest contribution to it.



## Jean-Louis Haie

Jean-Louis is a passionate sustainable procurement advisor with 12 years of international experience in the consultancy sector.

Jean-Louis is based in Sydney and leads Action Sustainability's sustainable procurement and supply chain management services in the Asia Pacific region.

Jean-Louis started his career in the not-for-profit sector, where he conducted audits of Fair Trade supply chains and supported sustainable development advocacy and educational programs. Since 2008, he's worked as a consultant and trainer in sustainable procurement in France, Australia, New Zealand and Hong-Kong.

Between 2014 and 2017, he led the Australian Committee on the project of ISO 20400. In early 2019, he published [Building the Business Case for Sustainable Procurement in Australia](#) with members of this same committee.



## Shaun McCarthy

Shaun McCarthy is an independent advisor, author and speaker in the field of sustainable business policy and practice. He was awarded an OBE for services to sustainability and the London Olympics by Her Majesty the Queen in her 2013 birthday honours list.

Shaun is based in London and has an extensive portfolio which includes; Chair of the Supply Chain Sustainability School, Chair of IEMA Professional Standards Committee and Non-Executive Director, Non-Executive Advisor to Tarmac Sustainability Panel and Trustee of the Greenshoots Foundation Trust. From 2006-13 he was chair of the Commission for a Sustainable London 2012, a ground-breaking assurance body directly advising the Mayor of London and Olympics Minister.

Between 2013 and 2017, he led the UK Committee on the project of ISO 20400. In early 2017, he created [www.iso20400.org](http://www.iso20400.org), a non-for-profit knowledge platform around ISO 20400 and sustainable procurement.



## **Anna Cantwell**

Anna Cantwell is a highly motivated sustainability professional with a background in sustainable procurement.

Anna is based in Sydney and supports Action Sustainability's sustainable procurement and modern slavery services in the Asia Pacific region.

Anna has several years' experience developing and managing sustainable procurement initiatives within a construction product business as well as requirements of the UK Modern Slavery Act.

In 2018 Anna was awarded the title of Modern Slavery Top 100 Influencer. Her experience ranges from policy making and strategic analysis of supply chain risks and opportunities to developing procurement processes and supply chains.



## **Suzanne Ballard**

Suzanne Ballard is a dynamic sustainability professional with a strong theoretical knowledge of corporate social responsibility.

Suzanne is based in Sydney and supports Action Sustainability's human rights and modern slavery services in the Asia Pacific region.

Suzanne has in-depth experience developing sustainability programs with the private and public sectors and excellent stakeholder engagement skills.

Suzanne's experience ranges from policy and strategic analysis of environmental programs to casework on human rights and refugee law. She enjoys developing projects that harness the power of business to deliver long-term environmental, economic and social benefits.

# Contents

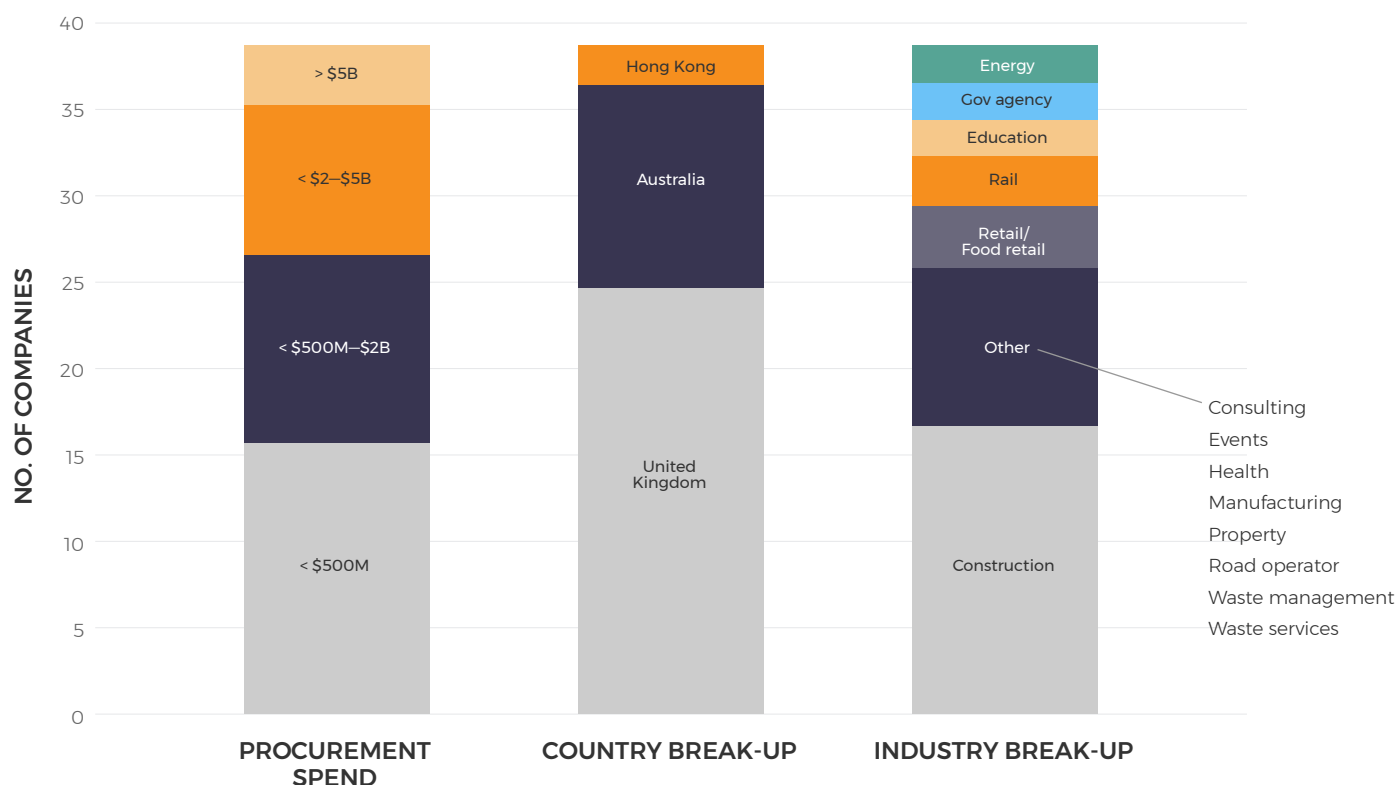
About our methodology	<b>06</b>
Executive summary	<b>10</b>
Focus on fundamentals	<b>14</b>
Focus on policy and strategy	<b>19</b>
Focus on organisational enablers	<b>22</b>
Focus on the procurement process	<b>26</b>
Conclusion	<b>29</b>

# About our methodology



# Panel of organisations

Since the launch of ISO 20400:2017—*Sustainable Procurement—Guidance*, we have supported 40 organisations across the UK, Australia and Hong Kong using the standard to improve their sustainable procurement framework. The organisations assessed covered around \$100billion in annual spend and come from a wide range of industries such as construction, energy, rail and retail.

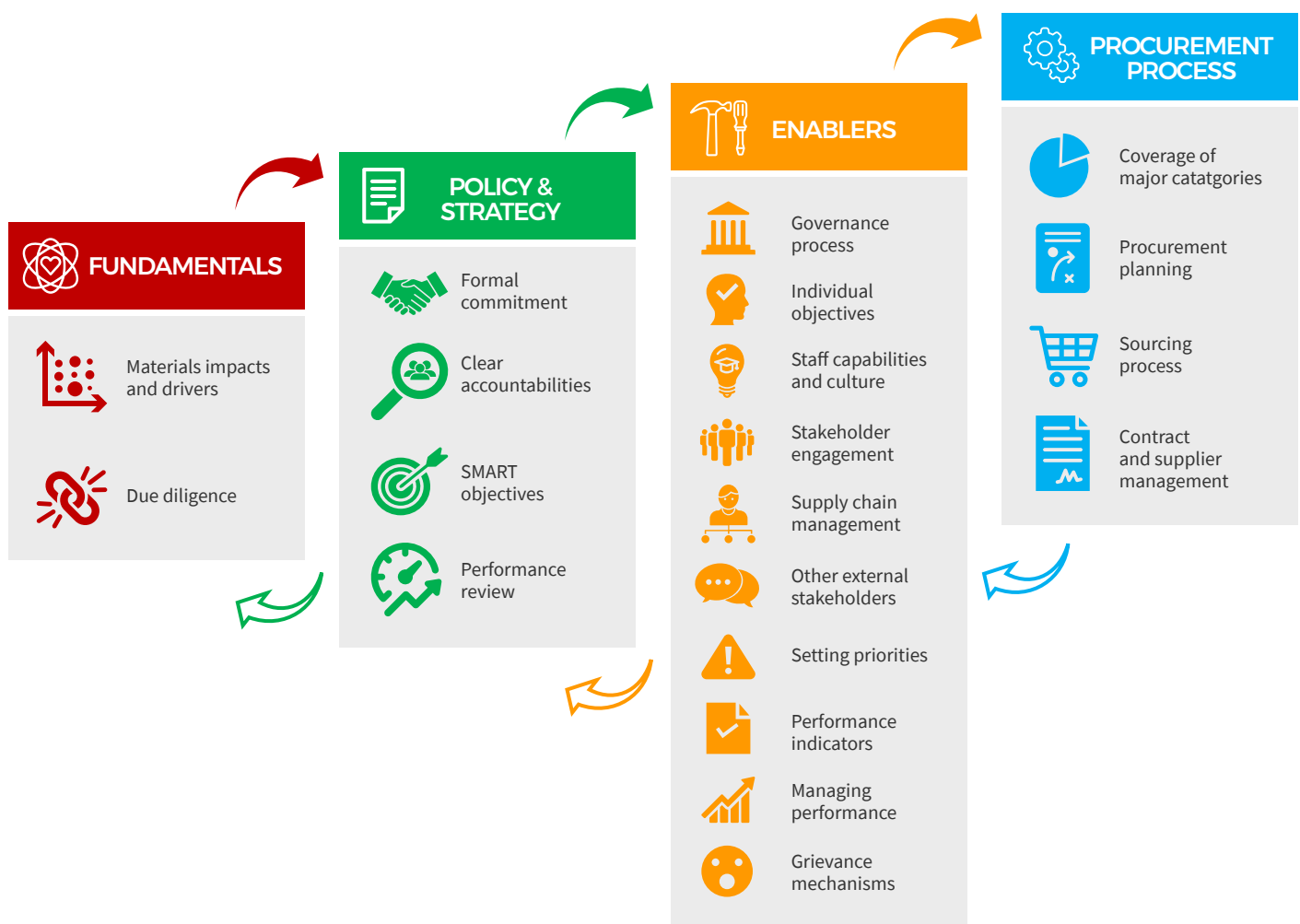


**Figure 1:** Coverage of the benchmarking study

# Assessment process

## Our ISO 20400 gap analysis tool

Our approach is to conduct an analysis of the organisation against the ISO 20400 framework. This is done using our proprietary assessment tool which contains a breakdown of the four main sustainable procurement sections of ISO 20400 shown below and summarises the essence of the standard in 20 questions. All organisations were assessed against the same standard, which enabled us to develop a consistent benchmark. This tool is now available for free on [www.iso20400.org](http://www.iso20400.org) a not-for-profit, free to access platform which aims to develop a global community of practice around ISO 20400 and sustainable procurement.



**Figure 2:** Overview of our ISO 20400 gap analysis tool

## Sources of information

Based on our clients' context and needs, the following supporting techniques have been used to collect information from the organisations:



44%

### Documentation review

For example, policies, procedures, risk frameworks, systems, guidelines and template.



23%

### Contract sample review

Understand how current practices align with the organisation's documents. The review includes the full procurement process e.g. planning, sourcing and contract management activities..



85%

### Workshop

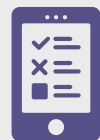
Discuss with key stakeholders the organisation's strengths, weaknesses, threats and opportunities and refine solutions and recommendations.



21%

### Stakeholder interviews

For example, top management, procurement, sustainability and other functions such as legal and operations.



13%

### Online survey

For example, policies, procedures, risk frameworks, systems, guidelines and template.

# Executive summary



# Executive summary

Our benchmarking study confirms that strategic sustainable procurement is still an emerging trend globally, with major differences between organisations. More than 50% of assessed organisations score below 2.5 out of 5, and only 12.5% are at a mature level, i.e. over 3.5 out of 5. The level of maturity of an organisation is mainly driven by its level of commitment: locations, industries and sizes are not a determining success factor.

It is a journey to arrive at a mature position on sustainable procurement. We have seen several organisations take that journey from basic to maturity and it is certainly not a quick process, taking around 3-5 years to get to a stage where sustainability is fully integrated into the organisation and its procurement processes.

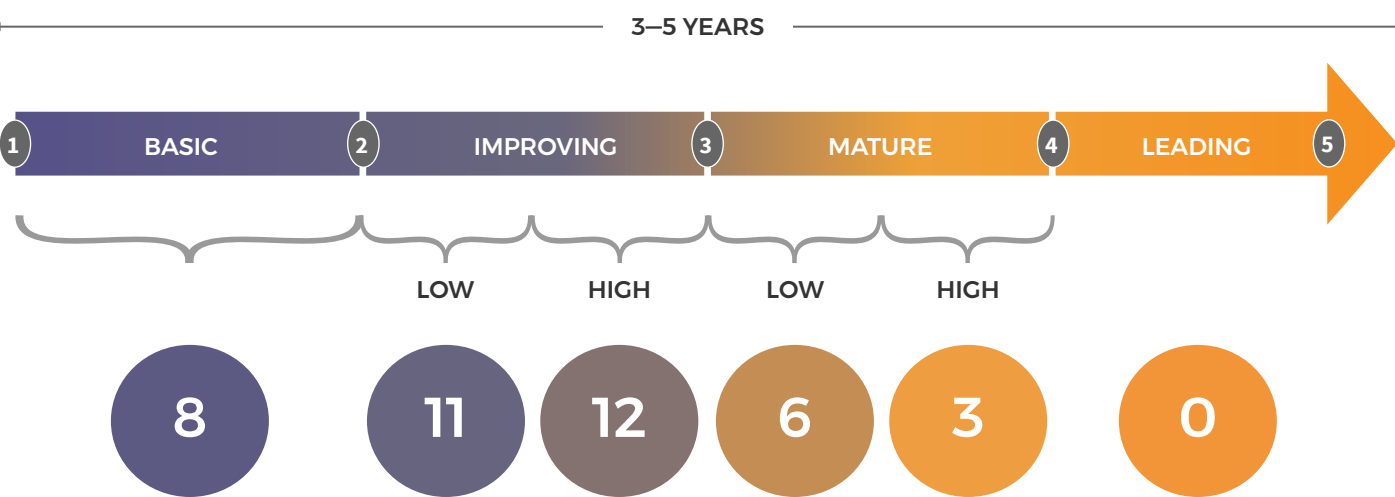


Figure 3: Benchmark summary—view per profile

A closer look at the detailed results reveal huge differences between elements of a robust sustainable procurement framework. Organisations are typically good at formalising their commitment to sustainable procurement and engaging their stakeholders around it. However, when it comes to actual implementation of this commitment, important drivers such as SMART objectives, performance review, priority setting, or individual objectives are very low.

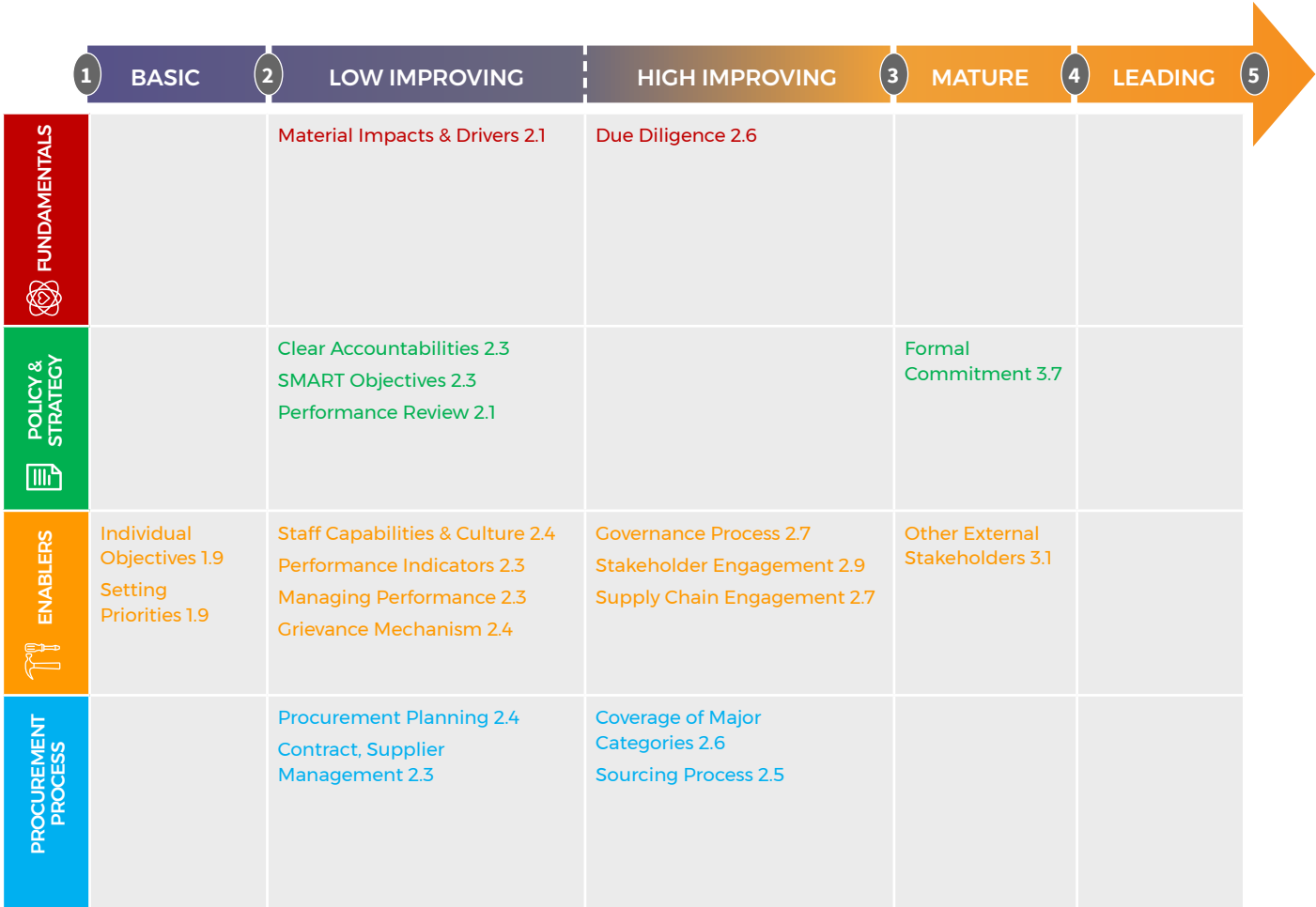


Figure 4: Benchmark summary—view per section

The next pages present a detailed analysis of each section of ISO 20400, with a focus on the following 10 success factors and recommendations for Senior Leadership to implement sustainable procurement:



### Fundamentals

1. **Understand your organisation's culture and drivers** – Undertake a Driver Assessment exercise. This type of exercise is best completed through a workshop involving senior executives as they need lead the sustainable procurement approach.
2. **Engage your stakeholders** – Engage with your stakeholders before and throughout the development of your sustainable procurement strategy in order to make sense of the strategic importance of sustainability for your organisation and your supply chains.
3. **Prioritise** – Carry out a priority setting exercise by setting up a “heat map” of sustainability threats and opportunities across your procurement spend.



### Policy & Strategy

4. **Define SMART objectives** – Transform policy commitments into practical objectives that can be implemented, measured and communicated.
5. **Share accountabilities** – Make sure you incorporate a Responsibilities, Accountabilities, Consult, and Inform (RACI) exercise as part of the strategy development. This will help maintain the focus on delivery, engage internal stakeholders along the way and ensure that the strategy is realistic for all stakeholders with key responsibilities and accountabilities.



### Organisational Enablers

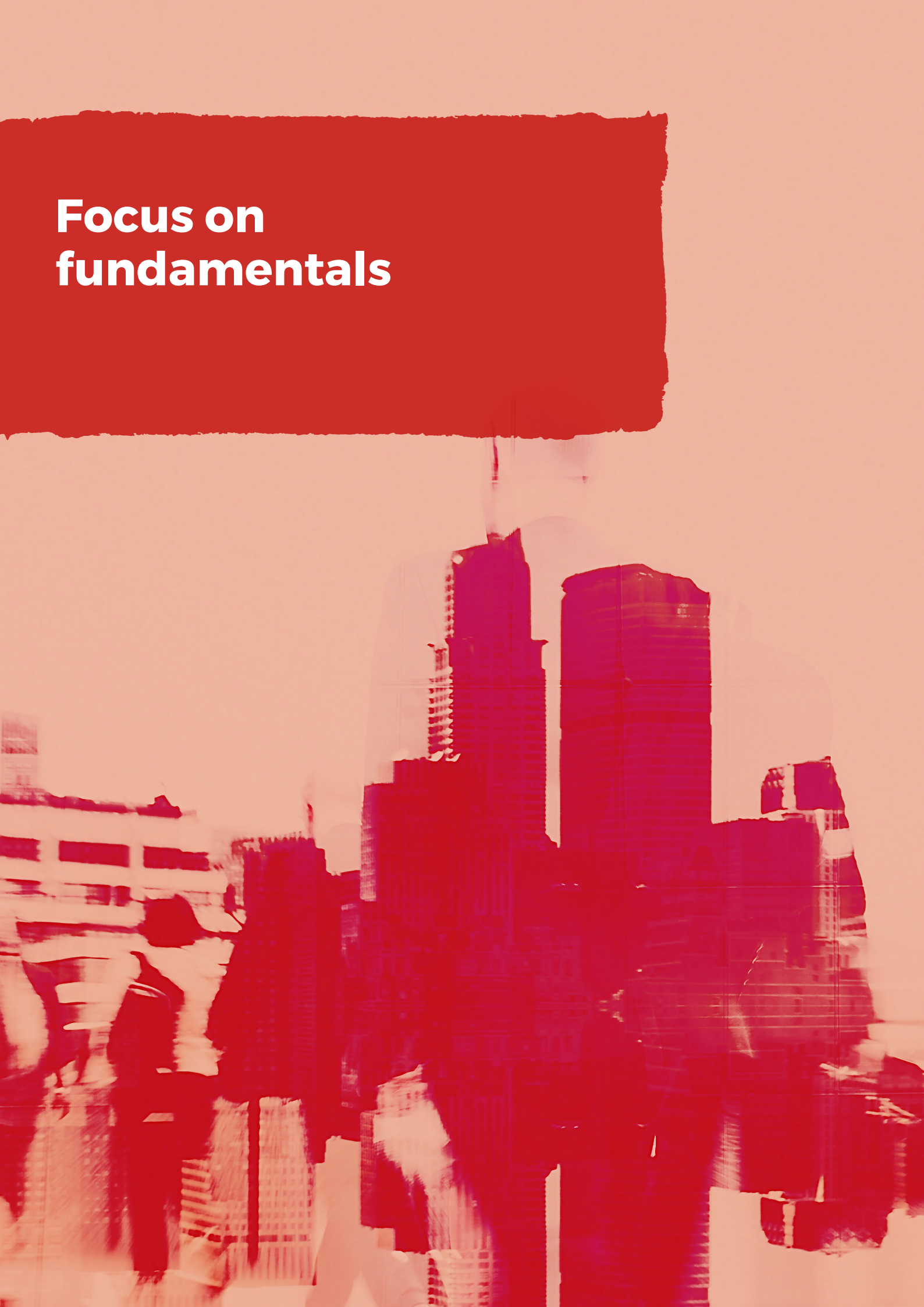
6. **Empower sustainability and procurement staff** – Do not underestimate the importance of empowering staff in the early stages of the implementation of your strategy, including setting priorities, resourcing, team and individual objectives...
7. **Strategically engage with your suppliers** – Consult with your supply chains as early as possible. You may be surprised about great solutions or innovations they may already be implementing with other clients!



### Procurement Process

8. **Plan your route** – Overlay your supply chain sustainability impact and risk assessment or ‘heat map’ with your RFT pipeline and plan your stakeholder engagement for at least the next 12 months!
9. **Tailor sourcing strategies** – When sustainability stakes are high, give yourself enough time to consider how you will evaluate your suppliers and develop creative ways to influence suppliers to give you their best sustainability offer.
10. **Build competitive suppliers through the contract** – Sustainability is a fast-evolving environment: make sure your suppliers continuously improve, develop their capabilities and innovate throughout the duration of the contract.

# Focus on fundamentals





# Focus on fundamentals

The fundamentals section was created to describe overarching principles that should be taken into consideration when integrating sustainability at all levels of the procurement activity. Key principles include exercising due diligence, setting priorities, understand your drivers...

It should be considered as a 'toolbox' that will inform how individuals involved in the procurement activity make sustainable procurement related decisions. This includes procurement professionals as well as anybody involved in developing RFT documents, evaluating bids or managing contracts.

## Benchmark Overview

### Leading

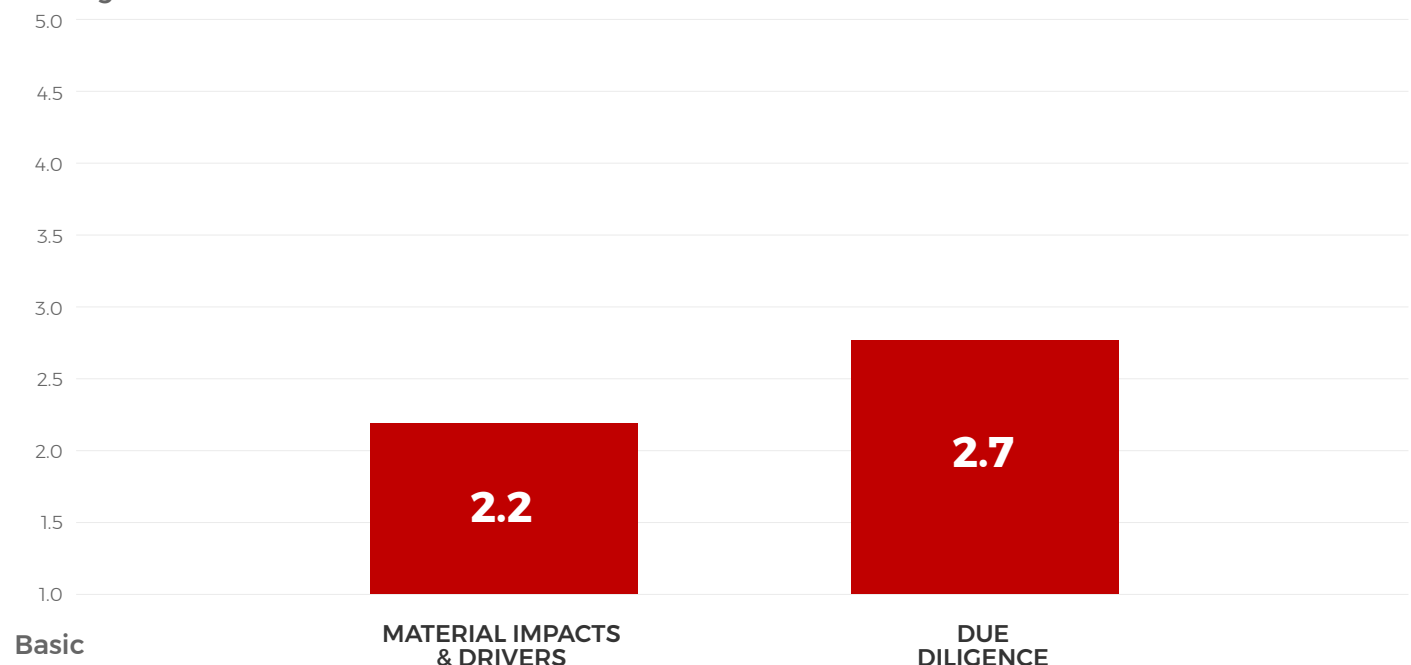


Figure 5: Overview of Fundamentals scoring

## Success factor #1 – Understand your organisation's culture and drivers

The drivers for sustainable procurement are an essential part of this section but organisations are generally scoring very low in this area (average: 2.2).

Understanding the 'why' of sustainable procurement, the internal and external factors that will motivate an organisation to practice sustainable procurement, is as important as the 'what'. Organisations' drivers will depend on their organisational culture and the external environment they operate in. A sustainable procurement strategy that sits at odds with an organisation's values will not be supported by staff or stakeholders.

For instance, some companies may be driven to practice sustainable procurement because of customer pressure and business values, whilst companies operating in highly regulated sectors such as construction and facilities would be typically driven by regulatory pressure and competition. Building a successful business case for sustainable procurement will depend on how well its drivers are understood and integrated.

**Our recommendation:** Undertake a Driver Assessment exercise, using the list of drivers of ISO 20400 (see Figure 6). This type of exercise is best completed through a workshop involving senior executives as they need to be on board of the sustainable procurement approach.



Figure 6: Example of driver assessment tool

## Success factor #2 – Engage your stakeholders

Intrinsically linked to the importance of drivers is the role of stakeholders in driving the sustainable procurement agenda. Beyond organisational values, stakeholder perspectives and values – including the supply chain's – will also influence an organisation's motivations towards sustainable procurement. Organisations getting started on their sustainable procurement journey should thus gain a strategic understanding of their stakeholders, supply chain and procurement spend.

A key mistake to avoid is to entertain the perception that sustainable procurement is a 'nice to have', i.e. a philanthropic activity rather than a strategy embedded in the organisation. This usually results in poor due diligence on extended supply chains—demonstrating the lack of connection between a business's sustainability strategy and the way its supply chains can best contribute to it. Poor understanding of the internal management structure and spheres of influence is another common pitfall—if pitched to an individual with little decision-making power, the business case for sustainable procurement may not be seen as a priority and fail to make it on the organisation's agenda.

**Our recommendation:** Engage with your stakeholders before and throughout the development of your sustainable procurement strategy in order to make sense of the strategic importance of sustainability for your organisation and your supply chains.

### Success factor #3 – Prioritise

There is no 'one-size-fits-all' in sustainable procurement – generic approaches generally fail. The strategy must reflect who you are as an organisation. Conducting a materiality assessment is a good way to understand your stakeholders' top priorities and expectations. This exercise can also be complemented by a "heatmap" of sustainability impacts, threats and opportunities across your procurement spend to identify critical products, services and sustainability issues. This will contribute to build a strong business case for sustainable procurement to senior decision-makers, aligned with organisational drivers.

Failing to prioritise will lead organisations to feel overwhelmed with the sheer volume of sustainability issues to be addressed. It will also entertain the idea that sustainable procurement is a "box ticking" exercise with no clear link with business objectives.

**Our recommendation:** Carry out a priority setting exercise by setting up a "heat map" of sustainability threats and opportunities across your procurement spend. Action Sustainability have conducted heat maps with a wide variety of organisations. This histogram shows the frequency of threats and opportunities ratings across seven key sustainability topics. Conducting a heat map exercise enables organisations to focus their time and energy on what really matters... and stop feeling overwhelmed!

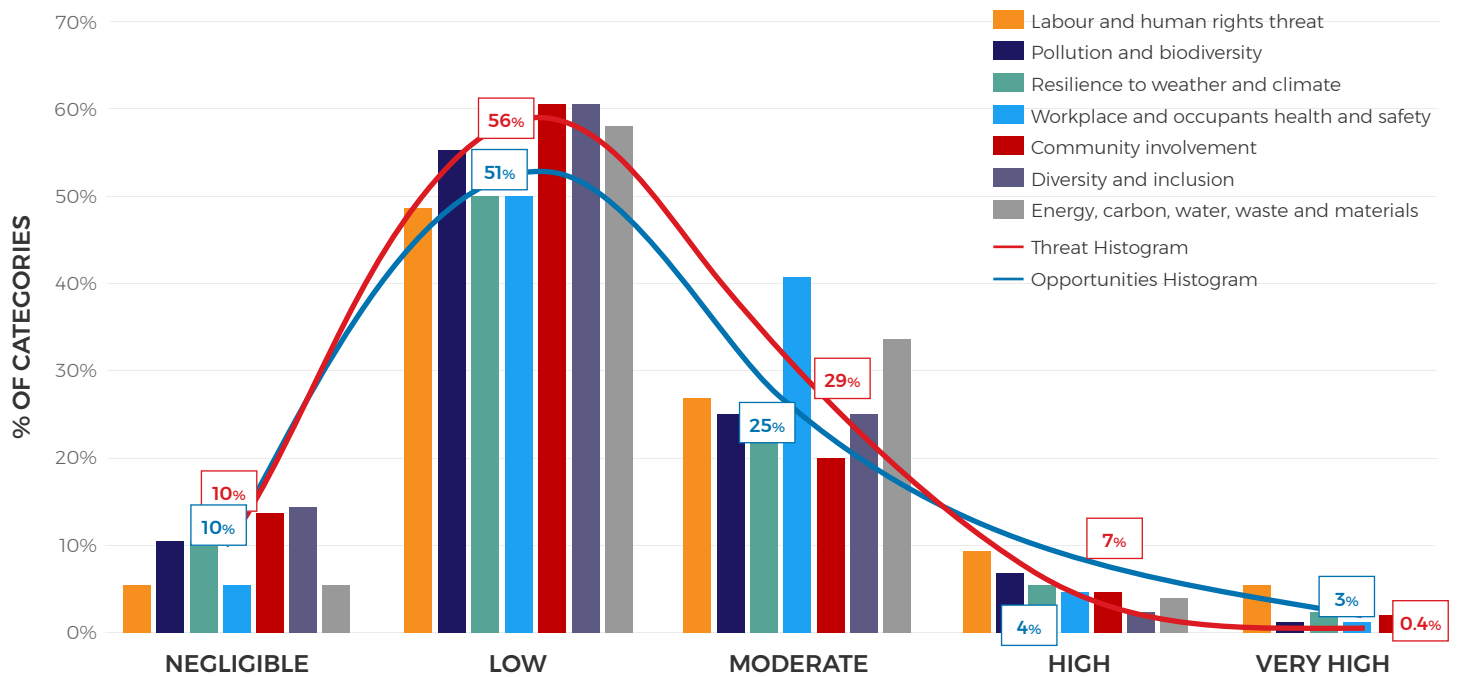


Figure 7: Frequency histogram of heat map risk ratings

## “There is no ‘one-size-fits-all’ in sustainable procurement.”

**Example:** British Land developed a risk-based programme to produce their sustainable supply chain charter. They involved all business divisions and key suppliers in the process which resulted in a charter that is widely considered to be best practice. Heat Maps are published so that suppliers know exactly what is expected of them. More information is available [here](#).

### Resources:

- [White Paper: Making the Case for Investment in Your Company’s Sustainable Purchasing Program](#) – Sustainable Purchasing Leadership Council
- [Building the Business Case for Sustainable Procurement in Australia](#) – ISO 20400 Australian Committee
- [Building the Business Case for Sustainable Procurement](#) – Ecovadis
- [The Business Case for Sustainable Procurement](#) – Cathy Berry

# Focus on policy and strategy





## Focus on policy and strategy

'Policy and strategy' is the point at which an organisation sets objectives to its stakeholders and supply chain. The Policy and Strategy section of ISO 20400 stresses the importance of top management commitment. Whilst responsibility must be taken at each level of the organisation, top management holds the greatest responsibility as they have the power to provide clear vision, direction and objectives for the organisation, as well as the means and resources to do it. Beyond the vision, they also need to ensure that clear accountabilities, monitoring and performance mechanisms are put in place.

### Benchmark Overview

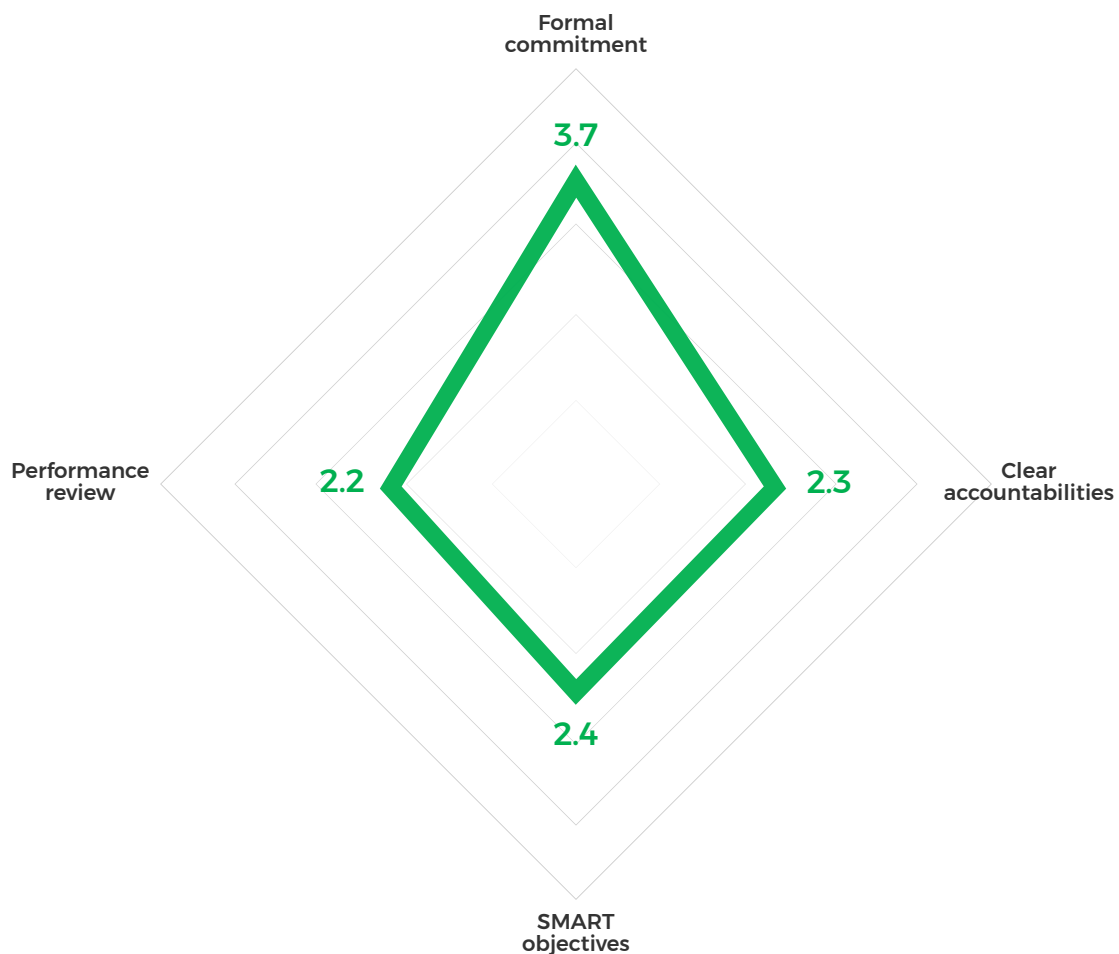


Figure 8: Overview of Policy & Strategy scoring

Out of the companies assessed, formal commitment (i.e. policy) received the highest score out of all the assessment areas with an average of 3.7. 20 companies out of 39 scored as leading (3.5+) in this area. This illustrates that the need for a formal commitment is generally well understood by senior management and is a visible 'quick-win'.

On the other hand, the other three indicators related to the implementation of the policy are scoring quite low. This shows that most organisations are struggling to secure in-depth involvement from the entire organisation and eventually fulfil their vision.

## Success factor #4 – Define SMART objectives

SMART objectives help define measures that will be monitored. Broad objectives may not be measurable. What doesn't get measured doesn't get done, can't be communicated, can't be shared, can't be celebrated, and risks non-compliance. Setting SMART objectives requires broad engagement across all functions of the organisation to ensure the strategy is well understood and practical to implement.

As illustrated by scoring many organisations fail to translate their broad commitment into specific, measurable, achievable, realistic and time-bound objectives with allocated responsibilities.

**Our recommendation:** Transform policy commitments into practical objectives that can be implemented, measured and communicated.

## Success factor #5 – Share accountabilities

The effective implementation of a sustainable procurement programme will require accountabilities to be clearly established throughout the organisation. This will usually manifest in sustainable procurement being identified in staff job descriptions and performance measurement. Clear accountabilities ensure that staff are informed of their responsibilities in the implementation of the strategy, and that they understand the consequences for not achieving those objectives.

Failure to clearly identify accountabilities early in the process will cause organisations to struggle to develop supporting conditions for the implementation of their sustainable procurement strategy. Many organisations will have sustainable procurement accountabilities sitting with a select few individuals with specialised knowledge. This approach will create an inconsistent application of the strategy across the procurement spend and may encourage the creation of bottlenecks where under-resourced internal experts are slowing down the implementation of the strategy.

**Our recommendation:** Make sure you incorporate a Responsibilities, Accountabilities, Consult, and Inform (RACI) exercise as part of the strategy development. This will help maintain the focus on delivery, engage internal stakeholders along the way and ensure that the strategy is realistic for all stakeholders with key responsibilities and accountabilities.

**“A policy ‘with no teeth’ will not help achieve sustainable procurement. Think about SMART objectives, accountabilities and performance review!”**

**Example:** Marks & Spencer's sustainability strategy, Plan A 2025, sets out clear SMART objectives which are monitored and reported on annually.

# Focus on organisational enablers





# Focus on organisational enablers

A comprehensive policy and strategy for sustainable procurement needs supporting conditions internally to make sure the organisation can deliver on its commitment. These “Enablers” are about how middle management practices and supporting functions ensure sustainable procurement delivery. They are especially important factors of success for sophisticated organisations.

## Benchmark Overview

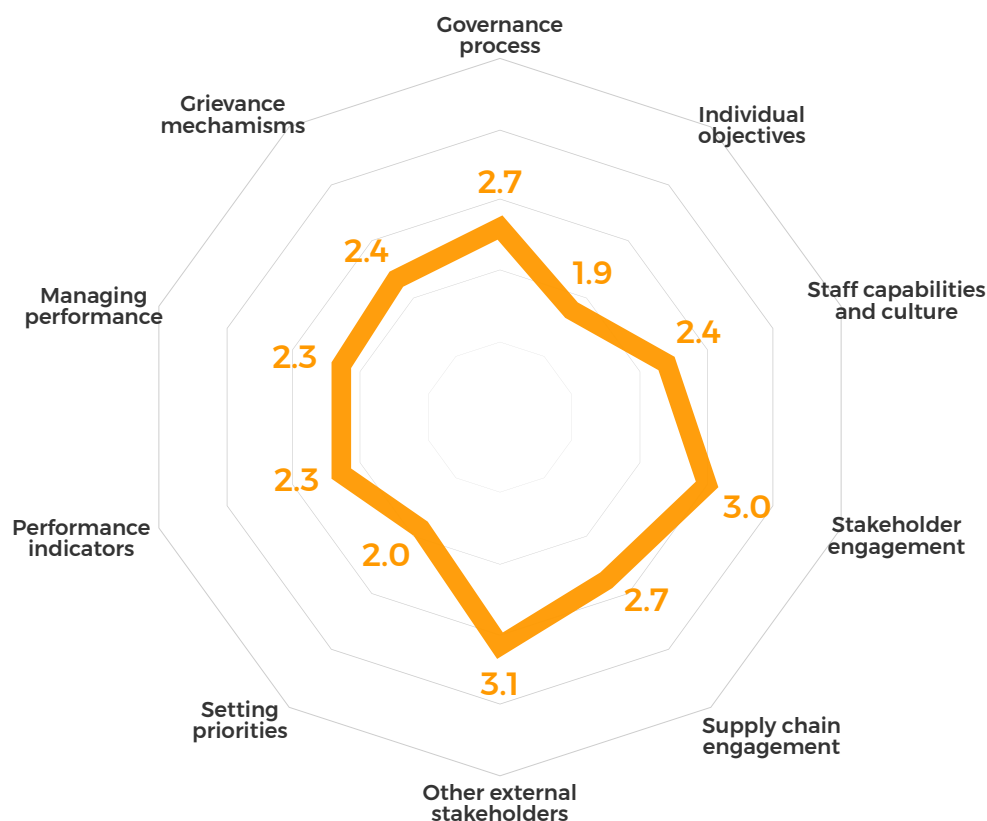


Figure 9: Overview of Enablers scoring

Organisations are generally good at engaging with stakeholders, but miss important points such as; individual performance, developing a supplier base and reporting. Typically, organisations will not measure much their own performance which creates a vicious circle where because there are no set priorities, there are no clear objectives or measurements, and therefore nothing moves. Individual objectives received the lowest score out of all the assessment areas with an average of 1.9. 29 companies out of 39 scored themselves as basic (0-2) in this area.

## Success factor #6 – Empower sustainability and procurement staff

The first pitfall of staff empowerment is the lack of clear directions and priorities on what they should do. Setting priorities is thus an important starting point. Policy and strategy should remain high-level, but it should also be transformed into manageable (and SMART) objectives for staff.

Sustainability and procurement functions can often be 'bottlenecks', with little resources and many other responsibilities. Once priorities are understood, providing staff with time, resources and training really helps to empower procurement and sustainability functions not just in sustainable procurement, but overall professionalism. That initial investment in resources is crucial in providing staff with guidance and a mandate to act.

Another pitfall is underestimating the importance of managing culture change when implementing a sustainable procurement strategy. Getting procurement staff to change their practices will take time and should be resourced properly. This could be done first by adapting their job descriptions, team and individual objectives, bonuses and incentives. Staff should be rewarded for working on sustainable procurement. Sustainability specialists also play a key role in changing culture and can act as a catalyst to changing mindsets and how people perceive sustainable procurement in the organisation.

**Our recommendation:** Do not underestimate the importance of empowering staff in the early stages of the implementation of your strategy, including setting priorities, resourcing, team and individual objectives...

### **Success factor #7 – Strategically engage with your suppliers**

Your supply base is a critical asset in achieving your sustainability objectives. Complex social and environmental issues will take more than short-term procurement to solve and may require longer-term, more strategic partnership arrangements with your supply chain to fully address. Strategic engagement also means engagement that makes good commercial sense. Engaging early with your supply base will give your suppliers time to prepare to meet your requirements. This will mitigate the risk of a sudden price increase and ensures you use the leverage of competition to obtain the best value for money.

When sustainability is an “afterthought” rather than strategically integrated into an organisation’s procurement practices, requirements are typically integrated into procurement documents last minute, thus giving the supply chain little time to prepare. This may not only lead to suppliers increasing the price of their services, it may also confuse them as to what priorities they should address and may reduce the quality of their tender response.

Organisations with mature procurement practices are good at strategically engaging suppliers. Category management, supplier relationship management, supplier development... All these ‘traditional’ strategic procurement techniques can be used to achieve sustainability outcomes. For complex issues, it may be relevant to explore additional initiatives such as industry collaboration (e.g. supplier evaluation, supplier training) or partnerships with third parties (e.g. NGOs, universities). It’s about being creative!

**Our recommendation:** Consult with your supply chains as early as possible. You may be surprised about great solutions or innovations they may already be implementing with other clients!

**“Sustainability and procurement functions can often be ‘bottlenecks’, with little resources and many other responsibilities.”**

**Example:** Go Ahead Group have a well-structured procurement team and do best practice category management. Important point here is that you won’t be good at sustainable procurement if you are not good at procurement.

**Resources:**

- Supply Chain Sustainability School – [UK](#) and [Australia](#)

# Focus on the procurement process





# Focus on the procurement process

The procurement process section is about how to do procurement differently and understanding how to integrate sustainability into the process. It is where the ‘rubber hits the road’, where policy and strategy materialise. It is when you start influencing the selection and management of suppliers, products and services and actually deliver practical and tangible sustainability outcomes.

## Benchmark Overview

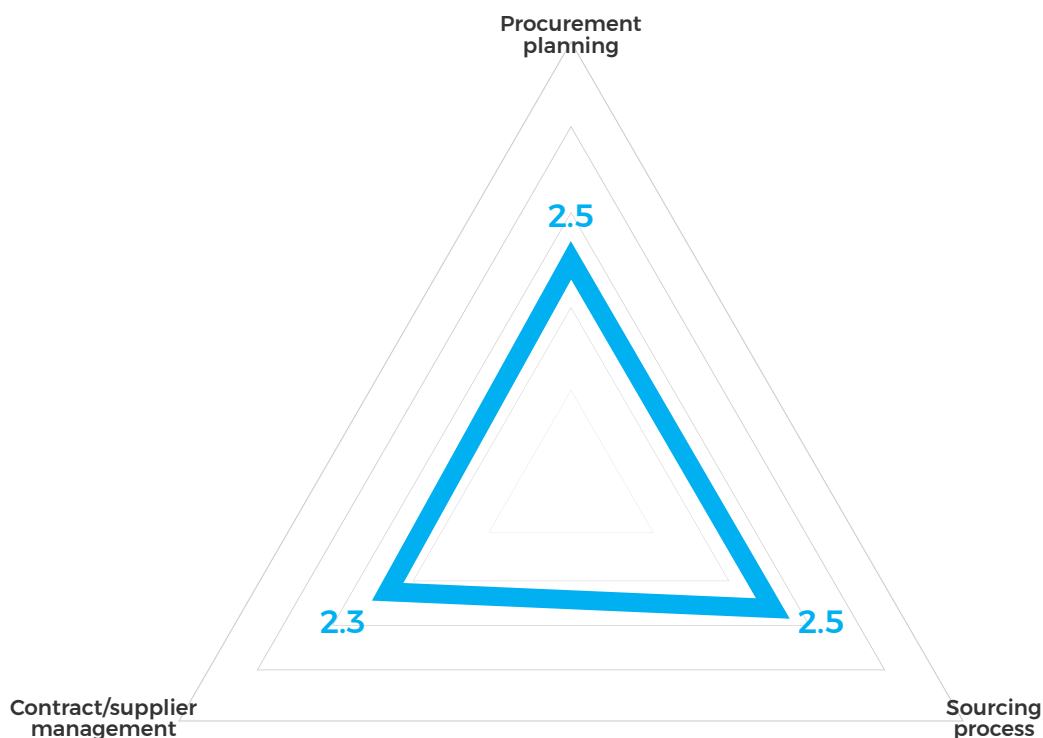


Figure 10: Overview of Process scoring

There was a steady ‘middle of the road’ scoring of around 2.5 across this whole section of the assessment. The 5 companies that scored highest overall in the assessment excelled most in the “Procurement process” section which demonstrates that if companies are leading in understanding their fundamentals, managing a robust policy, strategy and enablers, then the procurement process is more likely to be successful.

## Success factor #8 – Plan your route

Early planning and engagement are key to think out of the box and capture innovations from internal stakeholders and suppliers. Late engagement may lead to a risk-adverse approach and thus repeating the ‘business as usual’ scenario. The level of anticipation and effort spent at the planning stage should depend on the level of value and complexity of the project and issues at stake.

Procurement functions are typically engaged a few days or weeks before an RFT should be released, thus missing out on the opportunity to leverage their technical expertise to inform the development of a procurement strategy. The procurement function is all too often viewed as a 'tender shop' that is expected to manage probity issues and/or negotiate hard deals with suppliers. The procurement function itself can also tend to be hostile to change and lean towards the same products, services or suppliers. It is vital for sustainable procurement champions to gain good visibility of the organisation's pipeline of sourcing activities and contract renewals in order to plan when stakeholder engagement should be initiated. For instance, when sustainability threats or opportunities are high, they should be flagged in the RFT pipeline, usually with a visibility over at least the full financial year.

**Our recommendation:** Overlay your supply chain sustainability impact and risk assessment or 'heat map' (see 'success factor #3 – Prioritise') with your RFT pipeline and plan your stakeholder engagement for at least the next 12 months!

### Success factor #9 – Tailor sourcing strategies

Immature organisations typically apply a 'blanket' approach to sustainable sourcing. This approach usually consists of communicating their supplier code of conduct, applying standard contractual clauses and asking generic questions about supplier sustainability capabilities and management systems. Whilst these mechanisms are important to raise supplier awareness of your sustainability expectations, they may be insufficient to generate significant change in your supply chains.

Mature organisations tailor sourcing strategies to specific procurement contexts, especially when sustainability threats and opportunities are high. Based on a good understanding of their needs, the supply market and costs, they develop ad hoc specifications, evaluation criteria and KPIs. They also think about creative ways to positively influence tenderers towards a more sustainable contract: pre-tender briefing, bonuses and incentives, negotiations, etc. In a nutshell: they think strategically about sustainability!

**Our recommendation:** When sustainability stakes are high, give yourself enough time to consider how you will evaluate your suppliers and develop creative ways to influence suppliers to give you their best sustainability offer.

### Success factor #10 – Build competitive suppliers through the contract

Post-award contract management is often very deficient and sustainability performance management, along with performance management is frequently not done. This is because contract management is often handed over from procurement to other functions after contract award, which may result in a 'governance gap' where requirements are not followed through. Also, organisations often struggle to invest in time and skilled resources required to manage contract strategically.

## “Sustainable procurement is simply good procurement.”

**Example 1:** Concrete has a high environmental impact and improving its sustainability was a key focus for the Olympic Delivery Authority (ODA) in preparation for the 2012 London Olympics. Security of concrete supply was identified early on as a major risk to the London 2012 construction programme due to local traffic congestion, batching plant breakdown and availability of raw materials. To mitigate this risk and maximise the opportunities for achieving sustainability credentials, the ODA procured a single concrete supplier to provide concrete to all projects on the Park through the installation of a new concrete batching plant within the Park. The pre-qualification questionnaire and Invitation to Tender (ITT) used a balanced score-card approach to evaluate tenders, and tender questions were worded to encourage the supply chain to identify opportunities within the market-place and to deliver innovative solutions to meet the Park’s sustainability requirements. More information [here](#).

**Example 2:** A contractual requirement for Sydney Metro Northwest’s contractors was to source 100 per cent of all timber products used from either re-used, post-consumer recycled or ethically certified timber where practicable. Securing the right tree species with the necessary colour, texture and durability was complicated to source from sustainably managed forests in NSW.

A limited FSC certified supply was available from a small sustainably managed forest in the Hunter Valley. Because of the lead time required for cutting, moulding and dressing the timber, the contractor took an innovative approach of securing the timber directly from the forest owner. Timber procurement was also presented as a priority item to tendering subcontractors, and early engagement with the installation and manufacturing contractors ensured the remaining timber could be sourced effectively. The success of this procurement was due to a collaborative approach between the contractor’s sustainability team and procurement team. More information [here](#).

### Resources:

- [Sustainability Clauses in Commercial Contracts: The Key to Corporate Responsibility](#) – Ecovadis, 2018
- [GPP2020 Low carbon tenders](#) – ICLEI Europe – 2013, 2019

# Conclusion



# Conclusion

Sustainable procurement requires organisations to constantly adapt to new societal challenges. Whether they are getting started on their journey or high-achievers, organisations need to take the time to reflect on lessons learned along the way to ensure they continuously improve. Exposure to the market and to the procurement process may unveil new opportunities that should inform the organisation's strategy as a whole. Threats and opportunities will change with time, and so will the very nature of the products and services we buy. Constantly monitoring the procurement spend will ensure an organisation is forward-thinking, able to foresee future threats and opportunities and to assess the need for a product or a service.

More than a standard, ISO 20400 is a management tool that helps teams see the value of sustainable procurement and communicate that within their organisation. At its heart is the promotion of long-standing, robust procurement processes that deliver economic, social and environmental value. Sustainable procurement, in short, is simply good procurement – a powerful tool for organisations to influence positive change within their organisations and for society as a whole.

Having used ISO 20400 for almost three years now with so many organisations, we also see the limits of this standard. One of them is the lack of detailed guidance on collaboration. Many sustainability issues are too complex to be solved by each organisation in isolation. Typically, the supply market needs clear directions from its clients to be able to invest in new practices and sometimes new business models. Given the urgency to deeply change our economies and sustain liveable and fair societies, organisations should thus seek any possible way to collaborate with their peers, suppliers and other stakeholders such as regulators, NGOs or certification bodies... Our last recommendation is thus quite simple: collaborate, collaborate, collaborate!

# Contact us



## **Jean-Louis Haie**

Director at Action Sustainability Asia Pacific  
+61 (0) 412 295 661



## **Shaun McCarthy**

Director at Action Sustainability Europe  
+44 (0) 207 697 1977



## **Anna Cantwell**

Senior Consultant at Action Sustainability Asia Pacific  
+61 (0) 449 890 695



## **Suzanne Ballard**

Senior Consultant at Action Sustainability Asia Pacific  
+61 (0) 431 628 140

