**Sustainable Procurement**

1. It is UNDP’s policy to manage its business in an environmentally responsible manner. It endeavors to protect the quality and diversity of the environment, and continually improve performance in this regard. This means considering the costs of securing raw materials, manufacturing, transporting, storing, handling, using and disposing of procured products.
2. UNDP is committed to sustainable procurement and will maximize environmental, social (including human rights, disability inclusiveness, gender) and economic considerations in the procurement process whenever and wherever possible.
3. All UNDP-financed or administered programmes should aim to practice sustainable procurement.

**General Principles**

1. Sustainable procurement integrates requirements, specifica­tions and criteria that are compatible with the protection of the environment, social progress and economic development. It seeks to ensure efficient use of resources, improved quality of products and services, and optimized costs.
2. Sustainable procurement is consistent with general procurement principles of the United Nations and UNDP, namely:
	1. Best value for money: The selection of offers that presents the optimum combination of factors such as quality, life cycle costs, environmental and social considerations, and other parameters. Reduced energy and resource consumption throughout the life cycle results in greater efficiencies and long-term cost savings.
	2. Fairness, integrity and transparency: These principles are guaranteed through incorporating sustainability criteria at the early stages of procurement. Sustainable procurement helps reduce reputational risk and supports UNDP’s public image of integrity and responsibility.
	3. Effective international competition: Sustainable procurement must be implemented progressively and in full respect of the right of access to the United Nations market for suppliers from developing countries and countries with economies in transition.
	4. The best interests of UNDP: Sustainable procurement aligns procurement with UNDP’s core mission of sustainable development.

**General Considerations**

1. Several of factors influence sustainable procurement. Sustainable economic factors include the costs of products and services over their entire life cycle—acquisition, maintenance, operations and end-of-life management costs, including waste disposal, in line with good financial management.
2. Sustainable social and labor factors encompass recognizing equality and diversity, observing core labor standards, ensuring fair working conditions, increasing employment and skills, and developing local communities and their physical infrastructure.
3. Sustainable environmental factors comprise natural resource use and water scarcity, emissions, climate change and biodiversity over the whole product life cycle.
4. Identification of adverse social and environmental impacts of products and services is an important task. Since each procurement solution and market is different, it is important for procurement staff and requisitioners to work together to define these impacts alongside traditional economic and efficiency considerations.

**Early Inclusion of Sustainable Procurement**

1. Early inclusion of sustainable procurement in procurement planning helps ensure fairness, transparency and efficiency. There are a number of ways to embed sustainability considerations:
	1. Reconsider needs
	2. A contract title that conveys the relevance of sustainability in the tender
	3. Conduct a sustainability risk assessment
	4. Carry out a market analysis to assess availability of sustainable products and services
2. Assessment and analysis should match the size of the procurement. Smaller procurements can use simpler methods that are easier to conduct, while larger procurements should have more in-depth scrutiny.

**Requirement Definition**

1. The requirement definitionis based on the requisition and guided by the outcome of the considerations outlined above. Sustainability requirements should not hinder competition. The process can:
	1. Refer to international standards
	2. Use criteria from eco-labels and social labels
	3. Specify more sustainable production and process methods

**Sourcing Responsible Suppliers**

1. Sourcingresponsible suppliers is an important step in minimizing risks to sustainability. A commitment to sustainability should be part of evaluation criteria, and efforts should be made to ensure that suppliers have the necessary technical capacity, such as previous experience, environmental management systems, etc.

**Sustainability Criteria**

1. In the solicitation and evaluation phases, sustainability criteria should be used together with other evaluation criteriato identify the offer that presents the best combination of quality, price and sustainable performance. The financial evaluation should consider life cycle and recycling costs. A background check of potential suppliers can assess their record of social and environmental responsibility.

**Practitioner’s Guide**

1. Please refer to [Practitioner’s Guide for Sustainable Procurement](https://popp.undp.org/node/1996).