

Sustainable Procurement Indicators Guidance

Guidance on how to choose the right sustainability
indicator on UNGM | March 2021 | Version 1.1

This guideline describes in detail all of the Sustainable Procurement (SP) Indicators which are used on UNGM

Please note that this document is a living document. Please go to <https://www.ungm.org/Shared/KnowledgeCenter/Pages/SPIndicators> for the latest version.

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List of Abbreviations

| | |
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| EMS | Environmental Management System |
| HLCM PN | UN High-Level Committee on Management Procurement Network |
| ICT | Information and Computer Technology |
| MSMEs | Micro, Small and Medium Enterprise |
| SDGs | Sustainable Development Goals |
| SMEs | Small and Medium-sized Enterprises |
| SP | Sustainable Procurement |
| UNGM | UN Global Marketplace |
| VOCs | Volatile Organic Compounds |

Introduction

This guidance document is a supplement to the Sustainable Procurement (SP) Indicator project of the SP working group of the UN High-Level Committee on Management Procurement Network (HLCM PN).

The SP Indicators presented in this document are the result of an inter-agency project with the objectives to enable UN Organisations to identify, measure and report on the extent to which sustainable procurement is being applied within their agencies.

To do so, a list of SP Indicators was developed through which Procurement Officials can highlight the sustainability considerations included in their tenders.

The selection of SP Indicators on UNGM (or respective online procurement systems) is displayed to interested suppliers. If you included and selected at least three sustainability considerations (one in each pillar of sustainable development - environmental, social and economic), your tender will be highlighted to vendors on UNGM as a “sustainable tender” with a special SP logo.

This document provides a detailed overview of each SP Indicator to facilitate the selection process for procurement officials, providing a description, relevant sub-indicators for further analysis as well as concrete examples. It is important to note that the selection of indicators is subject to the market conditions, with due consideration of the local context and the project requirements.

General guidelines on the selection of SP indicators

There are eleven SP indicators to choose from - four environmental, three social, three economic and one additional indicator. Procurement Officials are required to select the SP Indicator that best fits the sustainability considerations included in their solicitation document.

The selection of more than one SP Indicator for a single sustainability consideration should be avoided to enable more accurate analysis and reporting. In some cases, ambiguity may exist regarding which SP Indicator is applicable and some criteria may qualify for more than one SP Indicator at the same time. In these cases, the procurement official should choose the indicator most applicable rather than several.

Generally, the SP Indicators are intended to capture sustainability considerations in tenders that are specific and mandatory, i.e. pass/fail or weighted. The inclusion of voluntary or “for information” criteria such as encouraging statements like “vendors are encouraged to...” should not be considered when selecting an SP Indicator. The same applies to criteria that are standard practice and that do not result in additional positive impact (like for instance warranties, or national requirements and regulations in tenders with competition limited to a specific country).

Structure of this guide

Each SP indicator is explained in detail below to facilitate the selection process. For each indicator, the guide provides the following information:

Pillar: Which aspect of Sustainable Development does the indicator address: environmental, social or economic?

Description: A detailed explanation is provided to describe the aspects the respective indicator is intended to capture. Where possible confusion with other indicators may exist, this is clarified in this section.

Related Keywords: The keywords list is intended to be a quick selection facilitator. Concepts and aspects that are relevant for this indicator are summarised under this section.

Sub-indicators: The sub-indicators represent a list of “Level 2” indicators whose intention is to refine the reporting and monitoring possibilities. With their help, the sustainability considerations included in the tender can be identified with greater accuracy. This list was also endorsed by the HLCM PN.



Examples of technical criteria that relate to this SP indicator: This list of examples contains a selection of possible tender criteria related to the SP Indicator. It can thus function both as inspiration and as a list of “copy-paste-ready” requirements.

Linkage with the Sustainable Development Goals (SDGs): Procurement plays a crucial part in the achievement of the Agenda 2030 and the Sustainable Development Goals. To support the measurement and targeted contribution to specific SDGs, an overview was collated of all goals and targets that are likely to be addressed by the respective SP Indicator.

Environmental: Prevention of pollution

Pillar

Environmental indicator

Description

This indicator summarizes sustainability considerations that are aimed at environmental protection predominantly through a focus on how a supplier manages the various waste streams created through its operations. The difference to the SP indicator “Sustainable Resource Use” is that “Prevention of pollution” focuses on the output factors of an operation.

Please note, moreover, that the sub-indicator “air emissions” relates to pollutants, toxins etc, as specified by the examples in brackets below, and not to greenhouse gas emissions in relation to climate change (which are covered under SP Indicator “Climate change mitigation and adaptation”).

Related Keywords

Environmental Management Systems (EMS), waste management, wastewater management

Sub-indicators

- Corporate environmental policy or an environmental management system (ISO 14001 or equivalent)
- Proper use, storage, movement and disposal of environmentally hazardous materials and chemicals
- Air emissions generated from operations to be characterized, monitored, controlled or/and treated (e.g. volatile organic compounds, aerosols, corrosives, particulates, ozone-depleting substances, etc.)
- Solid waste management and reporting on waste generated/recycled/etc.
- Wastewater management and prevention of effluents reaching water bodies, including groundwater
- Take-back programme/end-of-life management system

Examples of technical criteria that relate to this SP indicator

- The bidder will include a formal plan to properly manage any waste or waste by-products created during the execution of the contract
- Bidder must provide proof that the manufacturers are in possession of a valid ISO 14001 EMS certificate, or equivalent, for the factories in which the “goods” (e.g. vehicles or medical devices, etc.) were produced. Copy of the certificate to be included in the submissions.
- An outline environmental management plan for the project demonstrating the environmental issues involved in carrying out the works and the bidder’s capacity/approach to eliminating/mitigating negative environmental impact during the execution of the contract.
- Event organization
 - Avoid the use of conference bags and other giveaways, design booths/stands/roll-ups in a reusable way, disseminate information electronically instead of by print.
 - Organize or verify available waste recycling (paper, cardboard, plastic, metal, organic waste); donation of post-event materials; avoidance of single-use items (plastic bottles, plastic cups, to-go coffee cups etc.).
- The bidder must share a plan for a take-back programme for the “good in question” (e.g. ICT equipment, etc.) at the end of its useful life.

Linkage with the Sustainable Development Goals (SDGs)

- Good Health and Well-being (SDG 3) - Target 3.9 (Indicator 3.9.1, Indicator 3.9.2)
- Clean Water and Sanitation (SDG 6) - Target 6.3 (Indicator 6.3.1, Indicator 6.3.2)
- Industry, Innovation, and Infrastructure (SDG 9) - Target 9.4 (Indicator 9.4.1)
- Sustainable Cities and Communities (SDG 11) - Target 11.6 (Indicator 11.6.1)
- Responsible Consumption and Production (SDG 12) - Target 12.4 (Indicator 12.4.1, Indicator 12.4.2) + Target 12.5 (Indicator 12.5.1)
- Climate Action (SDG 13) - Target 13.2 (Indicator 13.2.1)
- Life Below Water (SDG 14) - Target 14.1 (Indicator 14.1.1)

Environmental: Sustainable resource use

Pillar

Environmental indicator

Description

This indicator summarizes sustainability considerations that aim to achieve a more efficient, less wasteful and more sustainable use of resources. Those resources can either be input factors in the production of the good in question, resources that are consumed in the delivery and operation of the good or execution of the service, or they can be the material of which the good itself is made. The difference to the SP indicator “Prevention of pollution” is that “Sustainable Resource Use” focuses on the input factors of an operation.

Related Keywords

Recycled materials, Packaging

Sub-indicators

- Officially recognized eco-labels or equivalent schemes that promote sustainable resources
- Use of recycled, recyclable, biodegradable, re-used, reusable, renewable or compostable materials in design and production
- Reduced or bulk packaging of the product

Examples of technical criteria that relate to this SP indicator

- Paper: Paper must be made within 80%-100% recovered paper fibres and must be at least 30% recycled 120gsm
- Packaging:
 - The bidder must provide a separate clear brief statement (Letter) that outlines how it plans to avoid any unnecessary packaging and/or to consider more sustainable alternatives which include but are not limited to using biodegradable or recycled packaging, recyclable packaging, offering a packaging take-back option, and packaging in bulk or other means
 - The cardboard packaging consists of at least 30% recycled material
- Construction: The bidder is required to use local resources (e.g. provide locally grown bamboo for the construction project).

Linkage with the Sustainable Development Goals (SDGs)

- Clean Water and Sanitation (SDG 6) - Target 6.3 (Indicator 6.3.1) + Target 6.4 (Indicator 6.4.1, Indicator 6.4.2)
- Affordable and Clean Energy (SDG 7) - Target 7.2 (Indicator 7.2.1)
- Industry, Innovation, and Infrastructure (SDG 9) - Target 9.4 (Indicator 9.4.1)
- Responsible Consumption and Production (SDG 12) - Target 12.2 (Indicator 12.2.1) + Target 12.4 (Indicator 12.4.2) + Target 12.5 (Indicator 12.5.1) + Target 12.7 (indicator 12.7.1) + Target 12.b (Indicator 12.b.1)
- Climate Action (SDG 13) - Target 13.2 (Indicator 13.2.1)
- Life Below Water (SDG 14) - Target 14.1 (Indicator 14.1.1)
- Life On Land (SDG 15) - Target 15.1 (Indicator 15.1.2)

Environmental: Climate change mitigation and adaptation

Pillar

Environmental indicator

Description

This indicator summarizes sustainability considerations that contribute to the management and reduction of greenhouse gasses such as carbon dioxide (CO₂), methane (CH₄), nitrogen oxides (NO_x), as well as any other measures that might contribute to climate change mitigation and adaptation. Energy-related considerations go under this indicator.

Related Keywords

Energy efficiency, Greenhouse gas reporting, Greenhouse gas offsetting

Sub-indicators

- Regular and public reporting on greenhouse gas emissions (e.g. Carbon Disclosure Project, etc.)
- Use of low-carbon/energy-efficient technologies, minimum energy performance and low power mode equipment
- Energy-efficient and clean transportation and logistics arrangements
- Carbon offsetting of emissions during production

Examples of technical criteria that relate to this SP indicator

- Event management: the venue efficiently manages energy needs; with regards to heating, lighting (use of LED lights encouraged and where possible natural light) and audio-visual equipment.
- Electric equipment: Products must hold a relevant energy efficiency label such as Energy Star, TCO Certification, EPEAT or equivalent.
- Vehicles:
 - The average combined fuel consumption of the vehicle must not exceed 8 l / 100 km.
 - Requirements for electric or hybrid vehicles

Linkage with the Sustainable Development Goals (SDGs)

- Clean Water and Sanitation (SDG 6) - Target 6.3 (Indicator 6.3.1) + Target 6.4 (Indicator 6.4.1, Indicator 6.4.2)
- Affordable and Clean Energy (SDG 7) - Target 7.2 (Indicator 7.2.1)
- Industry, Innovation, and Infrastructure (SDG 9) - Target 9.4 (Indicator 9.4.1)
- Responsible Consumption and Production (SDG 12) - Target 12.2 (Indicator 12.2.1) + Target 12.4 (Indicator 12.4.2) + Target 12.5 (Indicator 12.5.1) + Target 12.7 (indicator 12.7.1) + Target 12.b (Indicator 12.b.1)
- Climate Action (SDG 13) - Target 13.2 (Indicator 13.2.1)
- Life Below Water (SDG 14) - Target 14.1 (Indicator 14.1.1)
- Life On Land (SDG 15) - Target 15.1 (Indicator 15.1.2)

Environmental: Protection of the environment, biodiversity and restoration of natural habitats

Pillar

Environmental indicator

Description

This indicator summarizes sustainability considerations that promote measures for the protection of natural environments and ecosystems, for instance through responsible agriculture, or the protection of animals and their habitats.

Related Keywords

Sustainable agriculture / fishing / forestry, Organic, Habitat restoration

Sub-indicators

- Legal and sustainable agriculture, fishing or forestry, for example through appropriate eco-labels
- Habitat preservation and restoration in infrastructure projects

Examples of technical criteria that relate to this SP indicator

- Event organization: All food served for the conference has to come from sources that comply with the requirements of the EU organic regulation or equivalent or stricter regulations.
- The successful bidder shall comply with all applicable local environmental protection laws, regulations and standards
- Paper and wood: All paper must come from responsibly managed silviculture and have a relevant certification like FSC or equivalent
- Paper: All paper products must be at least Elementary Chlorine Free – EC

Linkage with the Sustainable Development Goals (SDGs)

- Clean Water and Sanitation (SDG 6) - Target 6.6 (Indicator 6.6.1)
- Responsible Consumption and Production (SDG 12) - Target 12.3
- Life Below Water (SDG 14) - Target 14.4 (Indicator 14.4.1))
- Life On Land (SDG 15) - Target 15.2 (Indicator 15.2.1) + Target 15.3 (Indicator 15.3.1) + Target 15.4 (Indicator 15.4.1)

Social: Human rights and labour issues

Pillar

Social indicator

Description

This indicator summarizes sustainability considerations that relate to the protection of the fundamental rights of every human being as stated in the Universal Declaration of Human Rights. This includes topics related to workers' rights, such as (but not limited to): respect minimum age to work, occupational health and safety, their freedom from oppression and exploitation of any sort, and measures that promote the fair and equal treatment and remuneration of workers etc.

Related Keywords

Fundamental principles and rights at work, Occupational health and safety, Fairly traded goods

Sub-indicators

- Requirement to adhere to the Universal Declaration of Human Rights and the fundamental principles and rights at work as referred to in ILO's core conventions (freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation)
- Requirement to abide by relevant industry's collective labour agreements
- Occupational Health and Safety management system (e.g. ISO 45001 or equivalent)
- Certifications that verify adherence to socially acceptable working conditions (e.g. SA8000 certification or equivalent)
- Ethically or fairly traded goods (e.g. Fairtrade certification or equivalent)

Examples of technical criteria that relate to this SP indicator

- Food and beverages:
 - Donation of leftover food;
 - Caterer sources fairly traded (coffee, sugar, chocolate etc.), local (e.g. fruits and vegetables) and organic products, where possible and where certification schemes exist;
 - Caterer provides attractive vegetarian menu options
- Occupational Health and Safety: The Bidder must have within its team a person appointed for supervision of the implementation of Occupational Health and Safety measures (Certificate on State Licence Exam must be submitted).
- Occupational Health and Safety plan: minimum health and safety requirements are adhered to for the respective assignment and the health and safety plan is kept up-to-date and implemented through the execution of the consultancy services.
- Awareness raising measures such as campaigns to staff on sub-indicators above.
- Existence of a credible and functional grievance mechanism for workers.

Linkage with the Sustainable Development Goals (SDGs)

- No Poverty (SDG 1) - Target 1.2 (Indicator 1.2.1, Indicator 1.2.2)
- Decent Work and Economic Growth (SDG 8) - Target 8.5 (Indicator 8.5.1, Indicator 8.5.2) + Target 8.7 (Indicator 8.7.1) + Target 8.8 (Indicator 8.8.2)
- Reducing Inequality (SDG 10) - Target 10.3 (Indicator 10.3.1)

Social: Inclusion of persons with disabilities

Pillar

Social indicator

Description

This indicator summarizes sustainability considerations that relate to the inclusion of persons with disabilities. These are expressed in the Convention of the Rights of Persons with Disabilities and the United Nations Disability Inclusion Strategy. This includes topics such as accommodation of persons with disabilities, purchasing accessible products or products which are universally designed, and including persons with disabilities in the workforce and supply chains..

Related Keywords

Inclusion, Accessibility, Universal Design, Web Content Accessibility Guidelines (WCAG)

Sub-indicators

- The requirement has been reviewed and potentially adapted to ensure accessibility for persons with disabilities
- Vendors need to be disability-inclusive

Examples of technical criteria that relate to this SP indicator

- Organizations of Persons with Disabilities or other end user organizations have been involved in defining the need, e.g. to identify and clarify features that make goods and services accessible and safe to use
- When procuring ICT equipment or services, compliance with WCAG standard is required
- When procuring construction works, design or engineering services, compliance with accessibility standards is ensured (e.g. according to ISO 21542)
- When procuring venues, hotels, meetings/conferences, etc: Access for people with disabilities is ensured. For communication and digital spaces, this can mean, for instance, the provision of sign language interpreters and closed-captioning; for the built environment it may mean the availability of ramps, handrailing, elevators, larger spaces for mobility.
- When procuring other products or services: Accessibility has been reviewed or they follow Universal Design principles
- Purchasing of assistive devices or assistive technology
- Vendors are required to have a disability inclusion policy or disability mentioned within their diversity policy.
- Vendors are required to provide evidence of how they include persons with disabilities in their workforce, e.g. by employing persons with disabilities, by accommodating the needs of persons with disabilities, by requiring their suppliers to be inclusive.

Linkage with the Sustainable Development Goals (SDGs)

- Guaranteeing equal and accessible education by building inclusive learning environments and providing the needed assistance for persons with disabilities (SDG 4)
- Promoting inclusive economic growth, full and productive employment allowing persons with disabilities to fully access the job market (SDG 8)
- Reducing inequalities by emphasizing the social, economic and political inclusion of persons with disabilities (SDG 10)
- Creating accessible cities and water resources, affordable, accessible and sustainable transport systems, providing universal access to safe, inclusive, accessible and green public spaces (SDG 11)
- Underlining the importance of data collection and monitoring of the SDGs, emphasis on disability disaggregated data (SDG 17)

Social: Gender issues

Pillar

Social indicator

Description

This indicator relates to sustainability considerations that aim at the empowerment of women and girls and the promotion of equal treatment of people irrespective of their gender - for instance through gender mainstreaming, which refers to the practice of assessing the different implications of activities for people of different genders.¹

Related Keywords

Gender mainstreaming, Women-owned businesses, Gender-responsive procurement

Sub-indicators

- Reserved procurement opportunities (lot, subcontract, or entire tender) open only to vendors qualifying as women-owned businesses; i.e. an entity at least 51% owned, managed and controlled by one or more women
- Reserved minimum portion of contracted labour opportunities for women, e.g. SSAs and individual contractors
- Price/margin preference or mechanism to award points to gender-responsive vendors during evaluation
- Requirement of bidders to demonstrate commitment to integrating gender mainstreaming in the project's approach and personnel structure

Examples of technical criteria that relate to this SP indicator

- Bidder shall provide a response that demonstrates its commitment to support gender equality and women's empowerment through its operations, for example:
 - The organization's current or future plans/activities regarding gender diversity in the recruitment process
 - Ensuring equal pay between men and women
 - Opportunities for females to be empowered and promoted internally
 - Prevention of sexual exploitation, abuse, violence, harassment or any form of discrimination at work
 - Paid parental leave policies for men and women
 - Professional safety training and access to equal protection facilities for all staffs without discrimination
- The Company must submit an organization chart showing at least 30% of women in leadership/managerial positions.
- RFP specific: Gender balance of team proposed for the assignment, e.g. non-balanced (less than 20% of each gender): 2 points, moderately balanced (20%-40% of each gender): 3 points, well-balanced (40%-50% of each gender): 5 points
- The Company shall confirm whether they are signatories of the Women's Empowerment Principles, obtaining XX points.
- Women-owned businesses: This tender notice is addressed only to companies owned by women (i.e. with a majority shareholding of at least 51%). Bidders must include in their bids a copy of their By-Laws (or other relevant documents) showing the list of partners and their shares in the company.
- For public surveys/needs assessments/preliminary studies: the vendor shall confirm that studies will target males and females equally, where applicable, with respective requirements applied in contract clauses/KPIs.
- Services: Service provider to have at least one (1) female service team member. If the female team member is not currently available, the service provider must provide a commitment to have a female team member before the end of six months of the contract.

Linkage with the Sustainable Development Goals (SDGs)

- Gender Equality (SDG 5) - Target 5.1 (Indicator 5.1.1) + Target 5.3 (Indicator 5.3.1, Indicator 5.3.2) + Target 5.5 (Indicator 5.5.2)

¹ For details as how to source from women owned business, please refer to UN Women Guide 'The Power of Procurement', accessible via this link <https://www.unwomen.org/en/digital-library/publications/2017/3/the-power-of-procurement>

Social: Social health and well-being

Pillar

Social indicator

Description

This indicator refers to sustainability considerations that focus on ensuring that the procured goods are safe to handle and do not pose any health risks to the end-users, for instance in the form of outgassing of toxic chemicals (e.g. VOCs, plasticisers, etc.).

Related Keywords

Hazardous chemicals, Labelling of chemicals, Training for proper storage and handling of (cleaning) chemicals

Sub-indicators

- Avoidance of chemicals potentially hazardous to users of the product, like volatile organic compounds (VOCs) etc. - see for instance [EU REACH list](#) of hazardous chemicals.
- Require labelling of included/used hazardous chemicals

Examples of technical criteria that relate to this SP indicator

- Furniture: The bidder must have an ecological certification such as Greenguard, Nordic Swan, Umweltzeichen or equivalent which states that the VOC emissions from the chemicals in the furniture coating, as well as from their adhesives and glues are minimal and do not affect the indoor air quality. Green certification must be provided.
- The bidder will ensure that the product does not use or contain any materials or chemicals that are considered to be toxic to human health or the natural environment. Bidders should provide documentation that outlines: what chemicals or materials are included in the product (e.g. Material Safety Data Sheets), which of those chemicals or materials are considered hazardous to human health or the natural environment (if any).
- Packaging: The packaging does not contain PVC or other chlorinated plastics
- Cleaning products: The bidder will provide training to the end-users aimed at the correct storage, dosage and general handling of the cleaning products with a focus on promoting the health of the cleaning personnel and the protection of the environment.

Linkage with the Sustainable Development Goals (SDGs)

- Good Health and Well-being (SDG 3) - Target 3.9 (Indicator 3.9.2)
- Clean Water and Sanitation (SDG 6) - Target 6.3 (Indicator 6.3.2)
- Responsible Consumption and Production (SDG 12) - Target 12.4 (Indicator 12.4.2)

Economic: Local communities, MSMEs, and supplier diversity

Pillar

Economic indicator

Description

This indicator refers to sustainability considerations that aim at supporting and promoting the local community in the place of project operation and implementation. This can be in the form of providing employment opportunities, transferring skills and knowledge through (on the job) training, etc. This indicator also includes activities directed towards the promotion and support of micro, small and medium enterprises as well as businesses from other interest groups, such as local communities, youth-owned businesses, disability inclusive suppliers, etc.

Related Keywords

Reserved labour, Local materials, Training, Skill Transfer, MSMEs²

Sub-indicators

- Reserved minimum portion of contracted labour opportunities for local communities
- Require suppliers to source the main elements for the product or service locally
- Reserved procurement opportunity (lot, subcontract or entire tender) open only to vendors qualifying as a Micro, Small or Medium Enterprises
- Reserved procurement opportunity (lot, subcontract, or entire tender) open only to vendors qualifying as vendors employing workers from disadvantaged groups (ethnic minorities, disabled etc.)

Examples of technical criteria that relate to this SP indicator

- Bidding suppliers are requested to demonstrate their capacity to promote the local economy by sourcing construction materials (blocks, cement, sand, gravel) from local micro, small and medium enterprises
- The manufacturer/company must be based and registered in the project country. The bidder is requested to provide a copy of their local business registration.
- Bidding companies must provide a plan of how they plan to instruct local workers in the manufacturing of bricks with the expectation of selling them to the project
- Bidders must hire unskilled workers from the local population in the area where the project is being implemented
- Bidders must provide a plan on how they train the beneficiaries of the project in the maintenance and repair of the built structures
- Competition on this tender is limited to companies that qualify as micro, small or medium enterprises as per the local definition [*provide the applicable maximum number of employees for each category as per the local definition*]. Bidders are required to submit an organizational organigram giving an overview of the number of employees in the organization.

Linkage with the Sustainable Development Goals (SDGs)

- Zero Hunger (SDG 2) - Target 2.3 (Indicator 2.3.2)
- Decent Work and Economic Growth (SDG 8) - Target 8.3 (Indicator 8.3.1)
- Industry, Innovation, and Infrastructure (SDG 9) - Target 9.3 (Indicator 9.3.1), 9.B (Indicator 9.B.1)
- Sustainable Cities and Communities (SDG 11) - Target 11.C (Indicator 11.C.1)

² The definition of MSME may differ based on national/local context and may be adjusted for the sake of a particular project. For reference, MSMEs are [defined by the World Bank](#) as follows: micro enterprises: 0–9 employees; small: 10–49 employees; and medium: 50–249 employees. For more information, see for example this [report](#) on the role of MSMEs in achieving the SDGs.

Economic: The evaluation methodology is done per the whole life costing method

Pillar

Economic indicator

Description

This indicator refers to tenders that were financially evaluated based on a whole life costing methodology (WLC). In a WLC approach, best value for money is achieved by calculating and comparing all costs that accrue throughout the ownership period of a product. Those costs can include for instance recurring costs related to consumed resources (i.e. fuel, electricity, water, reagents, etc.), maintenance costs, disposal costs and more.

Related Keywords

Whole Life Costing, Life Cycle Costing, Total Cost of Ownership, Best value for money

Sub-indicators

- Utilizes a total cost of ownership methodology in the financial evaluation - largely used synonymously with life-cycle costing/whole life costing

Examples of technical criteria that relate to this SP indicator

- No additional criteria are added to the tender, instead a special financial returnable bid form is created to obtain from bidders the data needed for the evaluation.

Linkage with the Sustainable Development Goals (SDGs)

- Responsible Consumption and Production (SDG 12)

Economic: Promotion of sustainability through the entire supply chain

Pillar

Economic indicator

Description

This indicator relates to the requirements that oblige bidders to ensure sustainable practices in their own supply chain.

Related Keywords

Sustainability of tier 2 suppliers, Supply chain due diligence

Sub-indicators

- Require from the prime contractor to extend all sustainability requirements of the contract to its tier 2 suppliers and to report on the status
- Primary contractor's subcontractors need to be identified pre-engagement and their employment is subject to [UN Organization's name] approval based on sustainability considerations

Examples of technical criteria that relate to this SP indicator

- The Contractor is encouraged to source responsible suppliers, specify more sustainable production and process methods, conduct background-check of potential suppliers for their record of social and environmental responsibility
- The Bidder is required to submit a list of planned subcontractors prior to the initiation of the project. [UN Organization's name] reserves the right to approve or disapprove of any proposed subcontractors.
- The Bidder is required to submit an internal policy regarding the sustainability and monitoring of their supply chains.

Linkage with the Sustainable Development Goals (SDGs)

- Responsible Consumption and Production (SDG 12)

Generic: Promotion of vendors' participation in the UN Global Compact

Pillar

Additional indicator

Description

This is an additional indicator to report on tenders in which vendors are not only encouraged, but specifically required to participate in the UN Global Compact. As a special initiative of the UN Secretary-General, the UN Global Compact is a call to companies worldwide to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. For more information, please visit the homepage of the UN Global Compact at <https://www.unglobalcompact.org>.

Related Keywords

UN Global Compact

Sub-indicators

- Require vendors to disclose their level of engagement in the UN Global Compact
- Require vendors to become a participant of UN Global Compact during the course of the contract's duration

Examples of technical criteria that relate to this SP indicator

- Bidder to ensure that they become a signatory to the UN Global Compact within six (6) months after contract signature. Bidders are required to share their annual Communication on Progress report with the organization.

Linkage with the Sustainable Development Goals (SDGs)

- Strengthen the means of implementation and revitalize the global partnership for sustainable development (SDG 17) - Target 17.16 (Indicator 17.16.1), 17.17 (Indicator 17.17.1)