

FSD AFRICA SUSTAINABLE PROCUREMENT GUIDELINES



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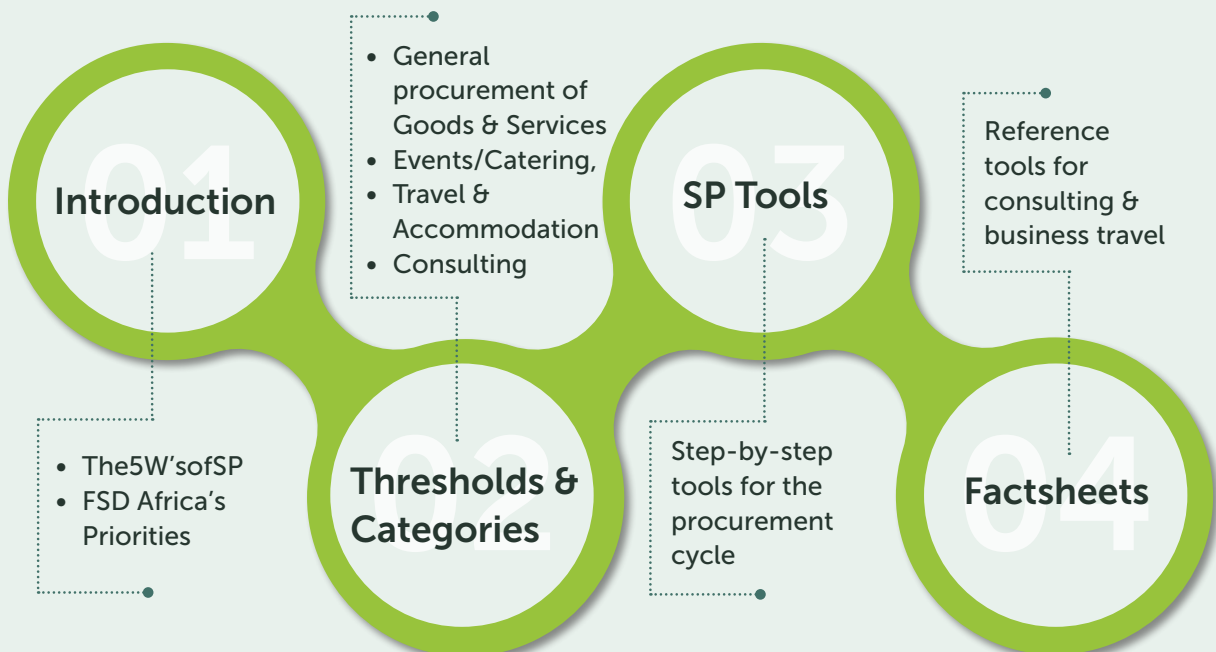
How to use this guide



This guide is designed to help you incorporate sustainability into your procurement practices in a simple and practical way, providing clear steps, tips and examples for integrating social, environmental, ethical and economic considerations when buying goods, services or procuring consultancies.

How This Guide is Structured

The following shows the structure of this document, so that you can skip to the sections that are most applicable to your procurement at hand.





Here is How to Get The Most Out of It

1. Navigate the categories

The guide is organised by procurement categories and threshold, such as Goods and Services, Individual Consultancies, Consulting firms and Small and Medium/Large Consultancy Contracts. Refer to the section relevant to your procurement for sustainability tips and requirements for the specific category or threshold.

2. Adapt to your context

Not every supplier will have advanced sustainability programmes, especially in emerging markets. The guide offers flexible options to encourage suppliers to take small, meaningful steps towards sustainability. We encourage you to meet your suppliers where they are, while clearly communicating FSD Africa's expectations. Use the simple sustainability questions provided in this guide to support these engagements.

3. Use tools

Appended to this guide are a series of tools, like checklists, templates and question menus, designed to help you during the procurement process. With these tools, you'll be able to:

- Identify sustainability risks and opportunities based on your procurement.
- Ask the right sustainability questions across procurement processes for goods and services.
- Evaluate suppliers based on sustainability criteria

Introduction

What Are Sustainable Procurement (SP) Guidelines?

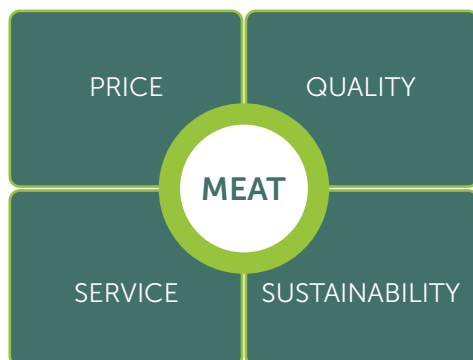
SP Guidelines outlines the key steps to follow for implementing sustainability into procurements at FSD Africa. We have laid out a series of steps for different procurement types:

- Goods and service procurements
 - General procurements
 - Events & catering
 - Business flight & accommodation
- Small contracts
- Medium/large contracts

MEDIUM/LARGE SIZED CONTRACTS

SMALL SIZED CONTRACTS

LOW-VALUE GOODS & SERVICES



Each of these methods will have their own set of steps to be followed. Low value goods and service procurements and small contracts will require less research and less effort to embed sustainability, while we expect you to spend more time and effort on medium/large procurements.

We are not expecting you to procure the most sustainable product, but to include sustainability considerations alongside quality, price and service to determine the Most Economically Advantageous Tender ('MEAT').

Purpose of Sustainable Procurement Guidelines

This guide has been created to help you consider sustainability in the many procurement decisions you will make in your role. Depending on the type of sourcing method and category, this guide provides simple recommendations on how to include sustainability into your procurement, along with a set of tools to help you operationalise the steps.

*Most Economically Advantageous Tender (MEAT): A procurement method that evaluates bids based on factors like quality, sustainability, and lifecycle costs, aiming to achieve the best overall value, not just the lowest price

FSD Africa's Sustainable Procurement Principles

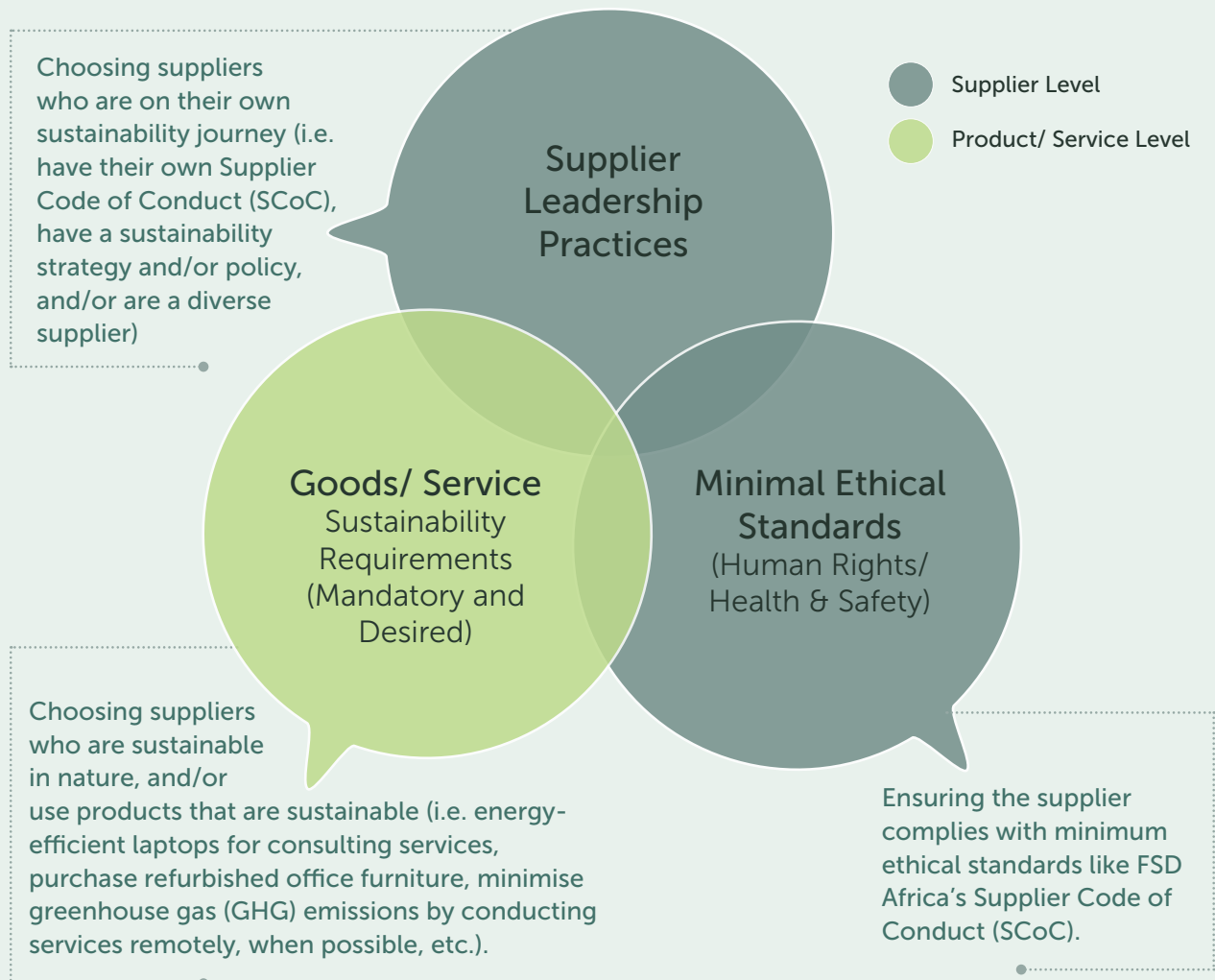
What do we mean by sustainable procurement?



Sustainable procurement means prioritising the procurement of products and services that have the lowest environmental and ethical impact and the most positive social results, while still achieving the best overall value. It is about embedding relevant sustainability considerations into processes for selecting services and goods, alongside traditional considerations like price, quality, service and technical specifications.

In practice, this means considering sustainability in every stage of purchasing services or products.

The image below shows a tiered approach to sustainable procurement, and how it could show up in different ways in each procurement.



Why Sustainable Procurement?

United Nations' Sustainable Development Goals (SDGs)* are deeply rooted in FSD Africa's commitments and strategies. By aligning its procurement practices, FSD Africa can address multiple SDGs including, among others, those represented below.



By integrating sustainability into procurements, FSD Africa ensures that the organisation's supply chain has a positive impact while achieving its goals.

Here's why:



Support local economies: Buying from local and social value suppliers, such as women-owned, youth-owned, and disability-owned businesses helps create jobs and strengthen communities across Africa



Protect the environment: Asking suppliers for eco-friendly services and products reduces waste, conserves resources and lowers carbon emissions.



Promote social good: By working with suppliers who uphold ethical standards and support fair labour practices, FSD Africa can help minimise social issues like poverty and inequality.



Lead by example and promote partnerships: FSD Africa seeks to continue to influence partners, suppliers, donors, and others to adopt sustainable practices by showing leadership in how they procure services and goods.

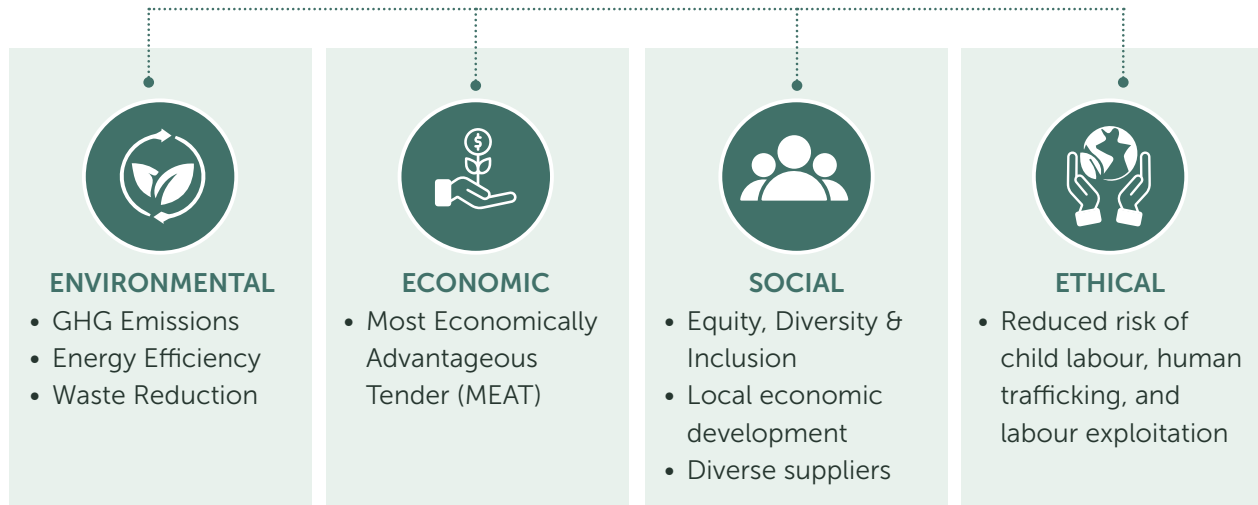


Long-term value: Sustainable procurement can help the organisation reduce climate risks, save costs, and build strong, resilient communities.

* Learn more about United Nations SDGs' here: <https://sdgs.un.org/goals>

There Are So Many Sustainability Issue Areas, What Should I Prioritise?

Four pillars of sustainable procurement



The figure above outlines FSD Africa's most important priorities under each of the four pillars. However, not every sustainability issue listed will apply to your procurement. Your first step should be to assess the sustainability factors most relevant to your procurement, and the tools provided will help you with that task.

FSD africa prioritises the following:



How do we do this?

This section outlines common procurement thresholds and categories, and illustrates how sustainability can be integrated into each.

Procurement Categories



• GOODS & SERVICES

General Procurements
Events & Caterings
Business Flights, Accommodation & Transportation



• INDIVIDUAL CONSULTANCIES



• CONSULTING FIRMS

Small consultancy Services (<£50,000)
Medium/Large Consultancy Services (>£50,001)





Goods & Services

IT Equipment, Office Supplies - General Procurements



When procuring good or services, such as IT equipment, office supplies, cleaning, repairs, consider:

- ⚙️ **Need:** Is the good or service necessary, or can it be avoided?
- ⚙️ **Alternative Options:** Choose refurbished, used or leased products when possible.
- ⚙️ **Supplier Selection:** Prioritise suppliers who are local, women-owned, or provide social value.
- ⚙️ **Packaging:** Look for minimal, recyclable or recycled packaging materials.
- ⚙️ **Durability:** Avoid single-use items; opt for durable, reusable products.
- ⚙️ **Certifications:** Check for eco-labels like EnergyStar, Carbon Neutral, or Fairtrade.

Learn more at: <https://www.ecolabelindex.com/ecolabels/>

Events and Catering



When hosting events and training sessions, consider:

1. **Sustainable Food:** Source foods that are local and sustainable such as:
 - a. Seasonal and locally grown and produced food.
 - b. Certified organic, and/or sustainable and fair-trade food (see eco-labels)
 - c. Plant-based or vegetarian options, with an effort to minimise or avoid meat.
2. **Reduce Waste:** Procure only what you need; get accurate attendance numbers.
3. **Social Value Suppliers:** Support local, youth, and/or women-owned catering operations.
4. **Venue Selection:** Choose venues with environmental certifications or programmes.
5. **Venue Accessibility:** Select venues close to public transport with bike racks to promote sustainable modes of transportation.
6. **Go Paperless:** Use digital materials for promotion, registration, and presentations.
7. **Gifts and Giveaways:** Ensure gifts and give-away items are environmentally preferable, or avoid them entirely, if possible.
8. **Waste Management:** Ensure recycling and compost bins are available, with clear signage. Avoid single-use plastics by insisting on centralized water supply, no plastic bottles, and re-usable straws at venues.
9. **Supplier Engagement:** Communicate to vendors and service providers about FSD Africa's sustainability goals and how they can support your objectives.

Liaise with the Strategic Communications and Engagement Pillar when planning for events'

Flights, Accommodation and Transportation



When travelling for FSD Africa, consider the following:

FLIGHTS

1. **Essential travel only:** Always ask yourself whether a trip is absolutely essential and consider if a virtual meeting might be possible instead.
2. **Fly Economy:** Flying in economy uses less space per passenger, making the flight more fuel-efficient.
3. **Choose Airlines Committed to Sustainability:** Some airlines are leading the way in reducing their environmental impact by using biofuels and incorporating corporate sustainability initiatives.
4. **Offset Emissions:** Purchase carbon offsets through the airline or third-party programmes to neutralise the impact of your flight.
5. **Consolidate Multiple Meetings:** If the trip involves visiting several clients or partners, consider grouping meetings and appointments to minimise the number of trips required.
6. **Choose Direct Flights:** Opt for nonstop flights to reduce fuel consumption associated with takeoffs and landings.
7. **Reduce travel group sizes:** Keep the number of people attending meetings or events to a minimum.
8. **Plan ahead:** Sustainability is not just about footprint, it's also about cost. Plan well ahead to ensure flight bookings are made well in advance.
9. **Keep to budget:** Budgets are there for a purpose - constantly check to ensure you remain within your travel budget.

ACCOMMODATION

1. **Book Eco-Certified Hotels:** Ensure your accommodation adheres to sustainability standards by looking for the above certifications.
2. **Reduce Energy and Water Use:** Reuse towels and linens to minimise laundry needs, and turn off lights, electronics, and air conditioning when not in use.
3. **Avoid Single-Use Plastics:** Bring your own toiletries and water bottle to avoid using the hotel's single-use plastic items.
4. **Support Local Businesses:** Choose hotels that support local communities by sourcing goods and services from local suppliers.

TRANSPORTATION

1. **Use Public Transport:** In urban areas, use buses, trains, or subways, which produce fewer emissions per person compared to taxis or rental cars.
2. **Choose Electric or Hybrid Vehicles:** If car rental is necessary, opt for electric or hybrid vehicles when available. This significantly reduces fuel consumption and emissions.
3. **Carpool:** If travelling with colleagues, share rides to reduce the number of vehicles on the road.
4. **Walk or Cycle:** For short distances, walking or biking is a zero-emission option that also allows you to experience the local environment.
5. **Use Ridesharing Apps:** Ridesharing apps like Uber offer options for eco-friendly vehicles or carpooling. Opt for these services when available.

Consultancies

Consultancy procurement is the key spend category, and there are many opportunities to embed sustainability when procuring these services:



• Individual consultancies

Individual consultancies may face several challenges when attempting to embed sustainability into their services. These challenges can include limited resources, a lack of sustainability expertise, and difficulty aligning their smaller-scale operations with sustainability goals.

However, there are feasible actions that individual consultancies can take to improve their sustainability. Consider the following:

⚙️ Ensure Compliance with FSD Africa's Supplier Code of Conduct.

⚙️ Sustainability in the Service

- Use of digital documentation and communication tools to minimise paper use.
- Encourage remote or hybrid working models, when possible, to reduce emissions from travel.
- When remote working models are not possible, set clear expectations for using low-carbon travel options, such as public transport or offsetting travel emissions.

⚙️ Supplier Leadership Practices

Ensure social value suppliers are aware of the bid opportunity and are invited to bid.

- Women-Owned Businesses
- Youth-Owned Enterprises
- Businesses Owned by Persons with Disabilities (PWD)
- Local Suppliers

⚙️ Encourage consultants to engage with local communities or contribute to local capacity building.



• Consulting firms

In a local context, **small consulting firms** are less likely to have established sustainability initiatives due to resource constraints, limited exposure to global standards, and a focus on immediate client needs. Sustainability may not be a top priority if it is not demanded by clients, and they may lack the expertise to start their sustainability journey.

In contrast, **large, multinational consulting firms** are more likely to have well-developed sustainability frameworks, driven by internal goals and global client expectations. These firms often have dedicated sustainability departments, well-developed sustainability frameworks, and the resources to implement comprehensive sustainability practices.

However, both types of firms can still take actionable steps towards embedding sustainability, and FSD Africa should encourage the following actions when procuring their services.

Small Consultancy Services

<£50,000

Small-sized contracts (<£50,000) can sometimes use restricted tendering or single sourcing. As all bidders typically quote on the same requirements, select sustainability criteria that are feasible. Pre-procurement supplier engagement can help determine reasonable expectations.

All considerations for individual consultancies apply, in addition to:

⚙ Sustainability in the Service

- Request firms to present **basic sustainability strategies** for the project (i.e. minimising waste, using low emissions transportation, etc.)
- Collaborate on identifying **sustainability metrics** for the project.

⚙ Supplier Leadership Practices

- Encourage firms to engage with **local and/or social-value, diverse firms**.
- Look for firms that **contribute to the community**, such as engaging in community projects, support local economies and contribute to capacity building
- **Collaborate with firms** and ask how they could be innovative to help achieve FSD Africa's sustainability goals.

Medium/Large Consultancy Services

>£50,001

For medium and large-sized contracts of >£50,001, most of the procurements are almost always carried out through restricted bidding or open tender method. Supplier engagement before the procurement can be valuable for determining what is reasonable for bidders to provide.

All considerations for small consultancy services apply, in addition to:

⚙ Sustainability in the Service

- Establish systems for **monitoring sustainability impacts** by including language in the contract.
- Collaborate with suppliers on **innovative sustainability solutions**, such as co-developing new methods to enhance sustainability outcomes.
- Request for **detailed sustainability strategies** for the project, outlining methods to mitigate sustainability risk.
- For projects with subcontractors, suggest to collaborate with **local, social value suppliers**.

⚙ Supplier Leadership Practices

- If feasible, ask firms to aim to be carbon neutral, or demonstrate efforts to **offset emissions**.
- Prefer firms that have **certifications**, such as B-Corp, ISO Certifications, and Fair Trade.
- Request firms to submit sustainability **policies, strategies and reports** on impact.
- Look for leadership in promoting **equity, diversity and inclusion (EDI)** within their employees, such as EDI strategies and goals.

Tools to help

What are Sustainable Procurement Tools?

Tools provide a standardised approach for integrating sustainability into procurement decisions. These worksheets, checklists and references guide staff at every stage of the procurement cycle (see below). While policies define “what” sustainable procurement is, and “when/where” to apply it, tools offer practical resources for daily purchasing decisions.

Tools give staff the knowledge and skills to feel confident in implementing sustainable procurement at each stage of the procurement cycle; leaning on them as a baseline that can be built upon through practice as knowledge and skills develop.

Below is the 5-step process of the procurement cycle:

1. **Planning:** Identify the most relevant sustainability risks and opportunities.
 - Use the Sustainability Issues Prioritisation (SIP) Worksheet for support, supplemented with market research.
2. **Criteria Development:** Incorporate relevant sustainability questions pertaining to the service/good and the supplier’s corporate practices.
 - Use the Sustainability RFx Question Menu for support
3. **Supplier Code of Conduct:** Require all suppliers to sign the Supplier Code of Conduct.
4. **Evaluation:** Apply weighted criteria in procurement evaluations and evaluate responses.
 - Use the Sustainability Evaluation Guide for support in scoring supplier responses.
5. **Monitoring Performance:** Incorporate sustainability KPIs into contract follow-up.

Below is the use case and the associated tool to help you work through the specific steps of the procurement cycle. Tools are appended to this document, and are available in word versions as well to fill out.

USE-CASE & NEED		TOOL	DESCRIPTION
Bid Planning RFx Creation Evaluating Responses	There are so many potential sustainability issues, how can I shortlist the most relevant ones for my purchase?	Sustainability Issues Prioritisation (SIP) Worksheet	Helps with deciding which sustainability issues are most relevant to the purchase. Since not all sustainability issues apply to every purchase, the SIP Worksheet can be used to narrow it down for the procurement at hand.
	Now that I know the most relevant sustainability topics, what language can I use in my RFx?	Sustainable RFx Clauses Menu	Helps with creating questions to be inserted into an RFx document. It provides a list of templated questions, organised by sustainability issue area, that can be tailored or used as is.
	How might I evaluate vendor responses and what constitutes a low or high score?	Sustainability Evaluation Guide	Helps evaluation teams form the scoring criteria related to sustainability questions in a solicitation. It provides a list of scorecards for each sustainability issue with suggested criteria for low to high scores.

*RFx: A collective term for various procurement requests, including Request for Proposal (RFP), Request for Quotation (RFQ), and Request for Information (RFI), used to solicit responses from suppliers.

Sample RFP Questions

While we have some tools to provide you with guidance on developing sustainability questions in RFxs, below are what sample questions could look like in an RFP.

SUSTAINABILITY IN RFPs	SAMPLE QUESTIONS
1. Compliance with Minimum Ethical Standards	<input type="checkbox"/> Include a signed off Supplier Code of Conduct
2. Sustainability in Service/Product	<ul style="list-style-type: none">• How do plan on incorporating/integrating women, youth and/or other diverse groups?• How do you plan on including local individuals/firms?• How do you plan on minimising greenhouse gas emissions during the delivery of this project?• How do you plan to minimise waste during the delivery of this project?
3. Sustainability Leadership	<input type="checkbox"/> Include the Sustainability Leadership Questionnaire. *This form allows suppliers to share their leadership practices. Please include attachments and/or links to any programmes and policies that may be applicable to your firm.

Sample Evaluation Criteria

The following is an example of what the assessment scoring criteria and their associated weighting could look like.

ASSESSMENT CRITERIA	WEIGHTING
Relevant experience of firm/individual	20%
Understanding of the TOR	20%
Content and quality of methodology	20%
Price	30%
Sustainability Services & Products	5-10%
Sustainability Leadership	5-10%
Compliance with Supplier Code of Conduct	Pass/ fail

TIP: We recommend starting with 5% weighting on any sustainability value-add to begin with. This can then be scaled in the long-term as suppliers become more aware of FSD Africa's sustainability priorities and as their own sustainability practices mature

