

How Public Procurement can Address the Climate Emergency

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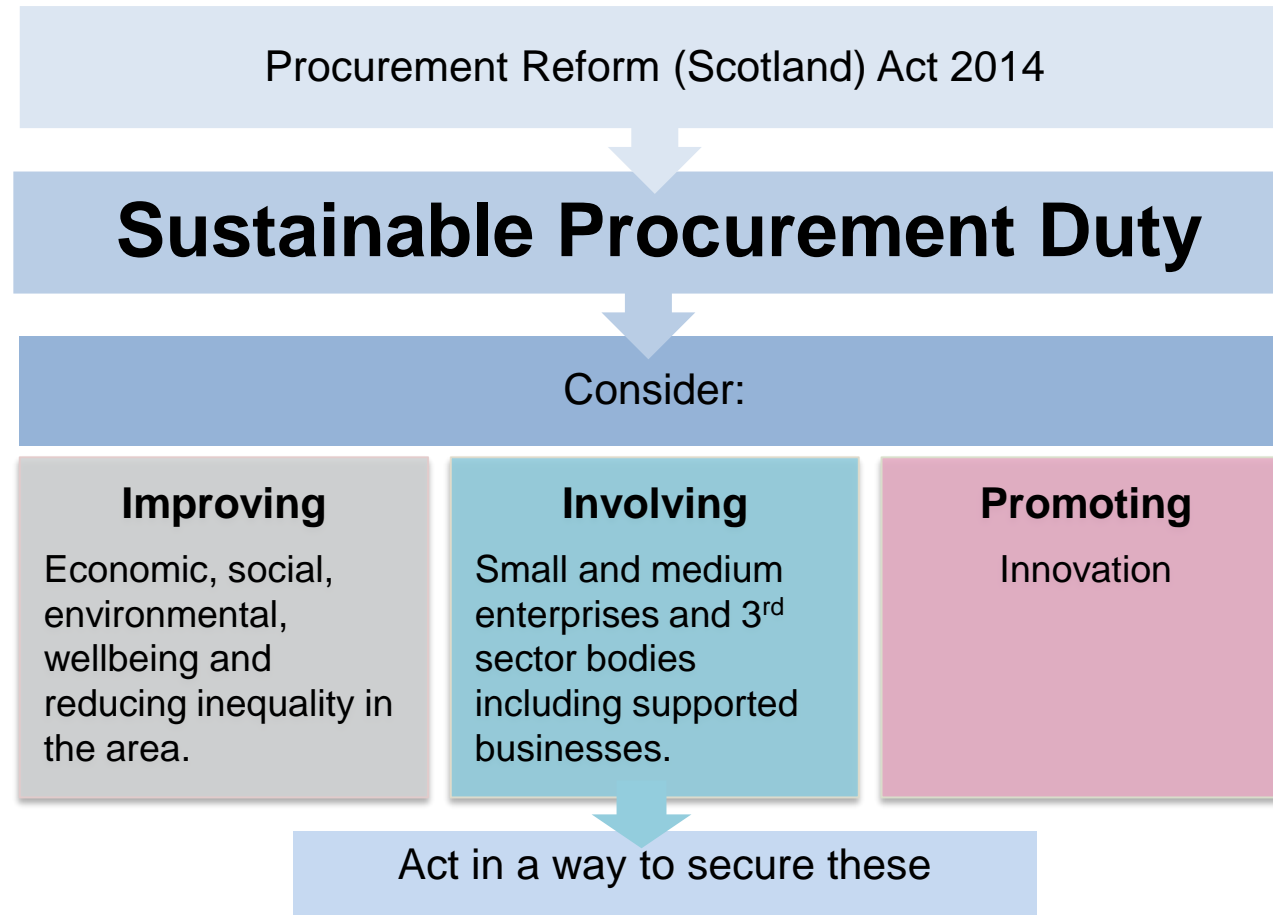
- Why procurement is important
- It's all about the data?
- Fitting in with a Council's wider vision

Context

- 28 Local authorities have declared or recognised the climate emergency
- [Climate Change \(Scotland\) Act 2009](#) increased focus on emissions
- [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) – commitment to net zero emissions by 2045, 75% by 2030; 90% by 2040
- [Climate Change \(Duties of Public Bodies: Reporting Requirements\) \(Scotland\) Order 2015](#) - report annually on how procurement contributes to compliance with climate change duties.
- [Climate Change \(Duties of Public Bodies: Reporting Requirements\) \(Scotland\) Amendment Order 2020](#) requires target date for achieving zero direct emissions (or demonstration on how contributing to Scotland's target); and targets for reducing indirect emissions of greenhouse emissions.



Procurement Legislation



Making a Difference across a range of topics -

Environmental

Climate Change

Materials

Waste

Hazardous materials

Biodiversity

Heritage

Water

Socio-economic

Employment, skills and training

Communities

Equality

Fair Work

Fairly and ethically traded

Security and crime

Health and wellbeing

[Sustainable Procurement \(sustainableprocurementtools.scot\)](https://www.sustainableprocurementtools.scot)

The Ask

Climate Change Reporting Duties on how publically funded bodies will:

- align spending plans and use of resources to contribute to reducing emissions and delivering on targets;
- publish, or otherwise make available, progress towards achieving its emissions reduction targets; and
- contribute to Scotland's Adaptation Programme the most recent version of which was published in 2019.

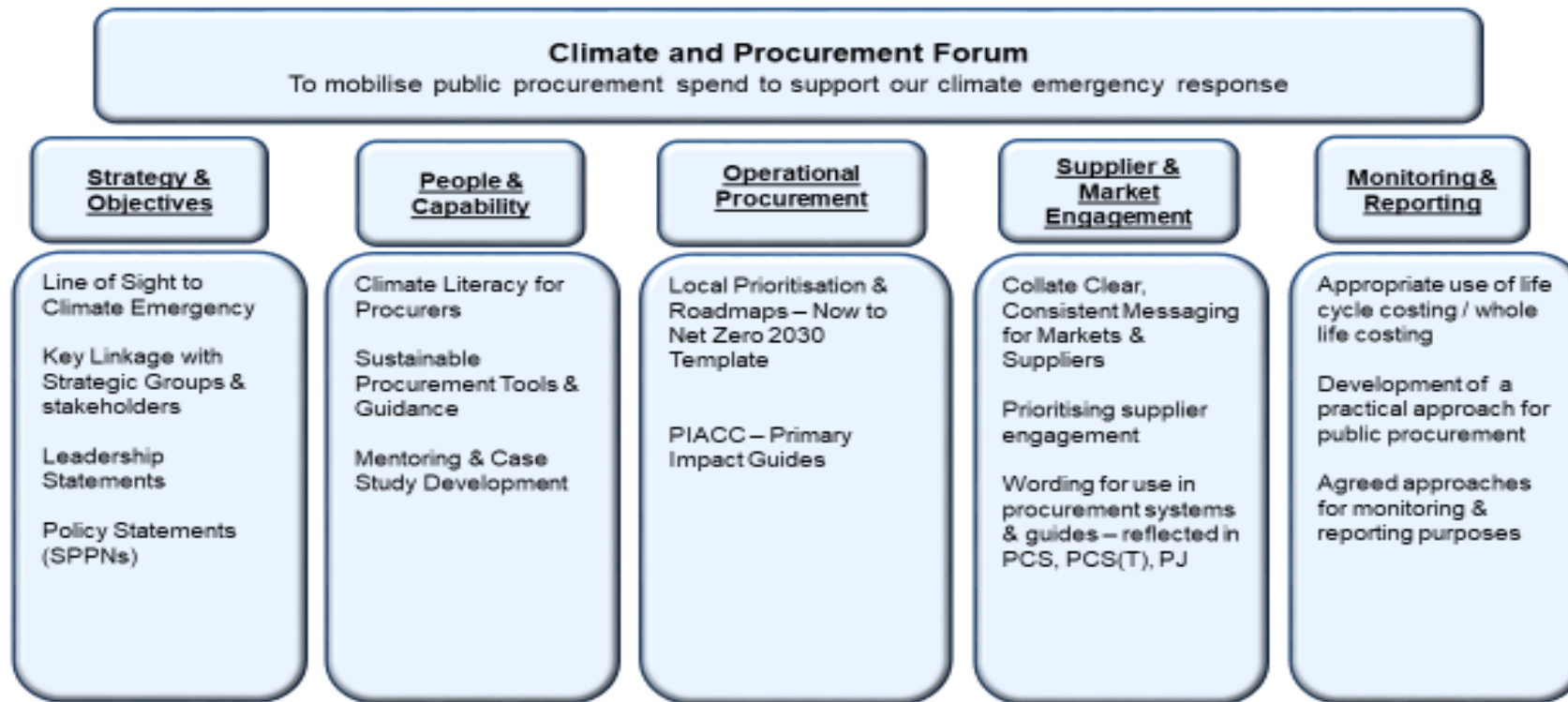


Why procurement is important

- 80% of Scotland's carbon footprint is associated with materials produced, consumed and wasted meaning that the majority of our carbon footprint is part of our supply chains
- We all have a responsibility to understand the climate emergency agenda; to be climate/ carbon literate; and to have an appreciation of how contracting activity can support net-zero aspirations throughout the contract lifecycle, using the national tools and support available and maximising engagement with supply chains.
- Procurement in Scotland has the policy, legislation and governance in place to address the climate emergency

The Response

We have been working collaboratively across the public sector developing tools, guidance and a practical approach to use public procurement to support a green recovery and our wider climate and circular economy ambitions



It's all about the data?

Climate and Procurement – People and Capability

- Sustainable Procurement Tools & Guidance
 - Climate Literacy
 - Circular Economy training
 - Guidance on: Carbon in Production, Climate and Energy, Adaptation, Vehicle Emissions
 - Case Studies – Cross Tay Link Road (Perth and Kinross), Zero Emissions Fleet (Glasgow City Council), ICT (Glasgow Kelvin College), Facilities Management (Scottish Government), Housing Sensors (Renfrewshire Council)
- All available via: [Sustainable Procurement Tools](#)



Monitoring and Reporting – It's Complicated

- Accounting for the consumption of goods is complex because of the huge variety of materials, manufacturing processes, transport distances and modes that contribute to the emissions profile of each product.
- While spend-based supply chain factors can provide an overall macro level estimate of emissions, they are of limited use
- In the absence of any suitable to measure and record the precise environmental impact of procuring many goods, works and services, it is not appropriate to apply a universal measure to public procurement at present
- Focus energy on effecting change through reduced emissions



Climate and Procurement – Monitoring and Reporting

Focus

Development of a practical approach for public procurement

- Explicit merging of PBCCD procurement and Annual Procurement reporting requirements
- Encourage a mixture of data and narrative reporting in PBCCD Annual Reports, with an increasing emphasis on data over time
- Encourage decision-making that has a high probability of achieving a real reduction in carbon emissions
- What is the lowest carbon option available to my organisation?
- Prioritise and address ‘Hotspots’



Climate and Procurement – Supplier and Market Engagement

Focus

- Collating Key Messages for Markets and Suppliers and Developing consistent wording for use in procurements
- Journey approach, supporting business to work towards achieving Net Zero targets
- Prioritising supplier engagement in terms of risk and opportunity to affect change

Climate and Procurement – Supplier and Market Engagement

Developing consistent wording for use in procurements

4C.7 Environmental management Question:

“Please provide details of the environmental management measures which the bidder will be able to use when performing the contract”

- Adding guidance for appropriate and uniform use of this question
- A phased approach to give the market time to prepare
- Different requirements for ‘relevant’ and ‘priority’ contracts



Using the SPD Environmental Management Question

Priority Procurements

- High impact areas identified by organisations based on their organisational Priorities:
- E.g. Scottish Government priorities:
 - buildings
 - transport
 - waste
 - electricity,
 - agriculture,
 - land use and forestry
 - Industry
- From 2023 - Demonstrate knowledge of climate emergency, impact or organisation including Scope 1 & 2 emissions

Relevant Procurements

- Tools and guidance on the Sustainable Procurement Tools Platform to make decisions about when it is relevant to include climate in procurement exercises
- From 2023 - Provide evidence that their organisation has taken steps to build their awareness of the climate change emergency and how they can respond



SPD Environmental Management Questions - Links

SPD – Standardised Statement:

[SPD Documents | Procurement Journey](#)

Guidance for Buyers:

[Climate Emergency | Procurement Journey](#)

Guidance for Suppliers:

[Climate Emergency | Supplier Journey](#)

Sustainable Procurement Tools:

[Sustainable Procurement \(sustainableprocurementtools.scot\)](#)



Climate and Procurement - Strategy and Objectives

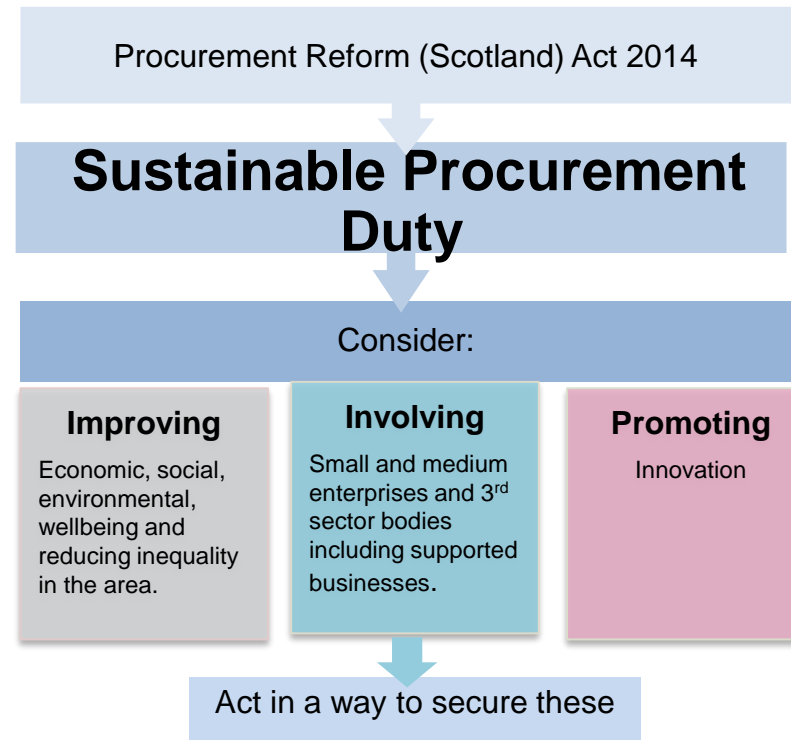
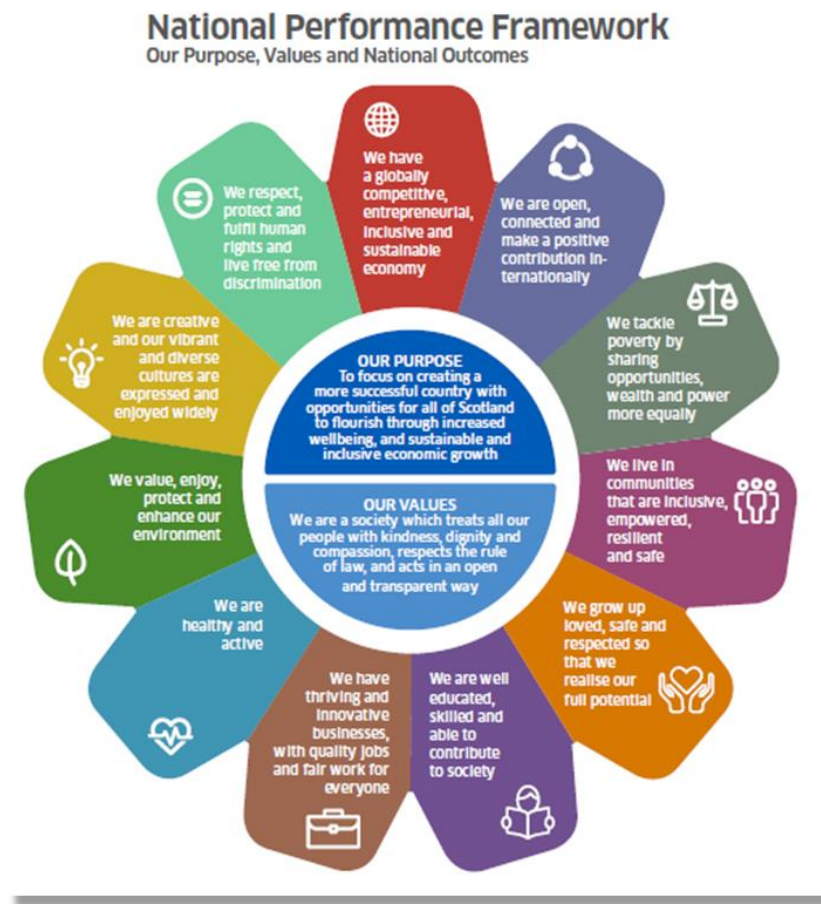
Focus

- Oversight of Sectoral Climate and Procurement Messaging and Actions
- Embedding Developments –
 - [Public procurement - taking account of climate and circular economy considerations: SPPN 3/2022](#)
 - Updated Procurement and Commercial Improvement Plans (PCIP):
 1. Does your organisation embed climate and circular economy considerations into your corporate procurement strategy and delivery?
 2. Does your Senior Management actively measure and recognise the positive environmental impact that procurement can make in a planned, organisational approach?
 3. Are progress and achievements included in your organisation's annual procurement reports?



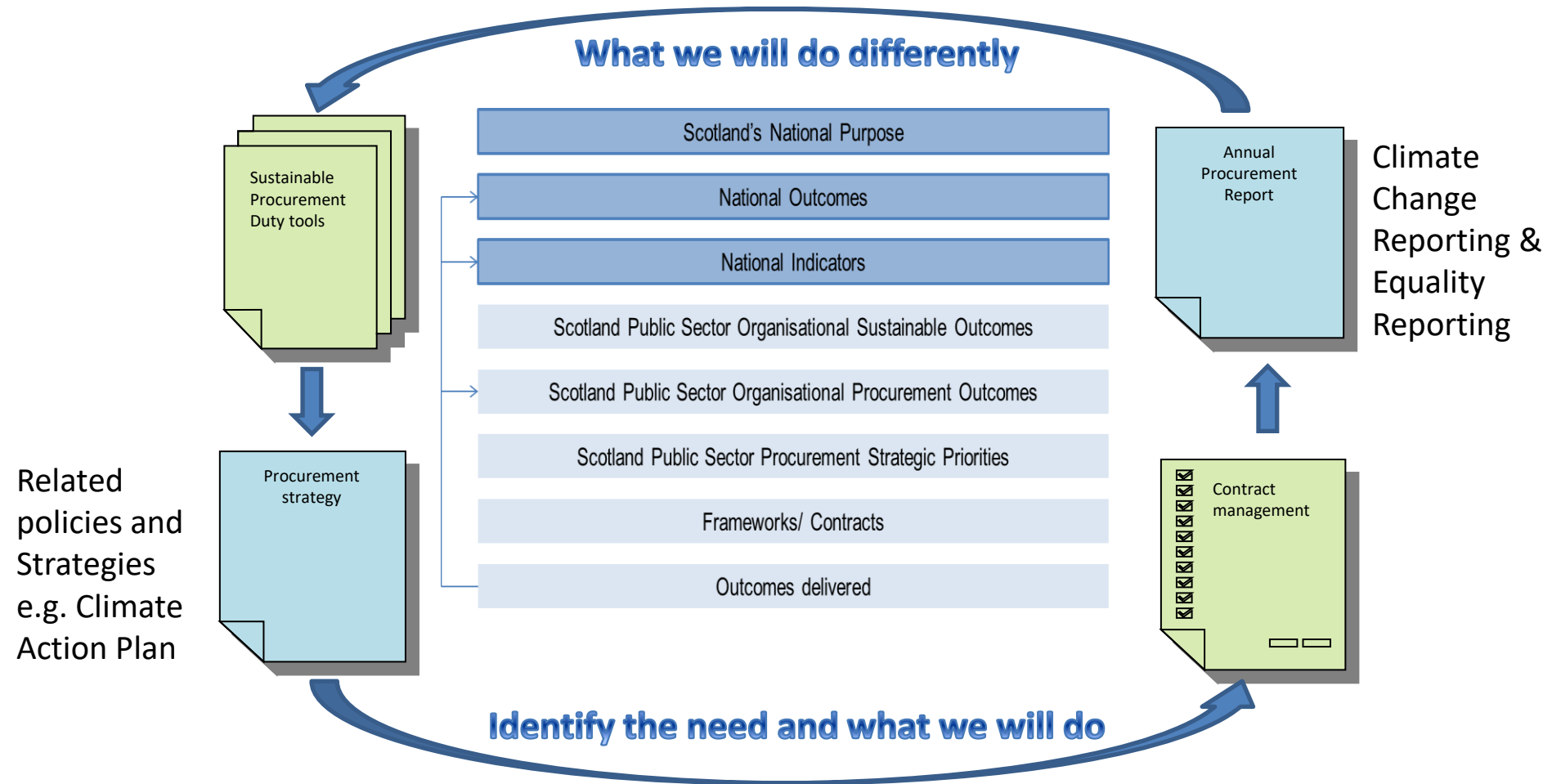
Fitting in with the Council's wider vision

We have Coherent Policy & Legislation



Publish an Organisational Procurement Strategy & Annual Reports

The Continuous Improvement Cycle



Thank you



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