

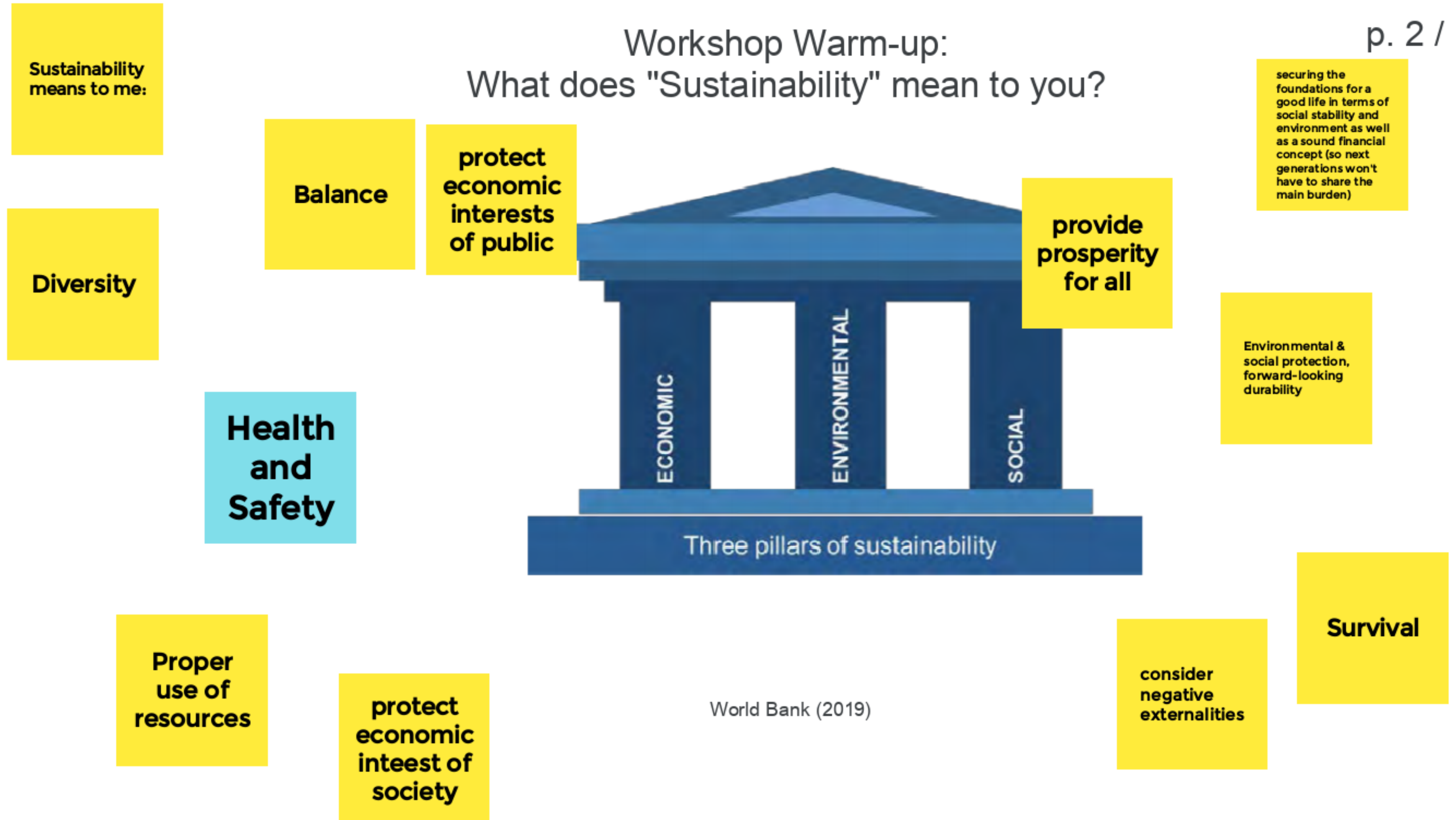
# Working Group "Social and Financial Sustainability"

Challenges and Opportunities of  
Sustainable Procurement

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# Workshop Warm-up: What does "Sustainability" mean to you?



World Bank (2019)

## Sustainable Procurement in the 21st century Outlining the context:

**Sustainability:  
Environment,  
Health and Safety,  
Cultural Heritage,  
Circular Economy  
etc.**

**"Smart"  
Procurement: Value  
for Money, Technical  
Merit / Quality,  
Aesthetics,  
Compliance**

**21st Century: Climate  
Change, disruptive  
innovation,  
digitalisation /  
automation, artificial  
intelligence, Internet  
of Things,  
demographic change**



Sustainable Procurement in other words:

“Looks **beyond the up-front cost** to make purchasing decisions based on the **entire life cycle** of projects, taking into account **associated costs**, environmental and social **risks and benefits**, and broader social and environmental **implications**”

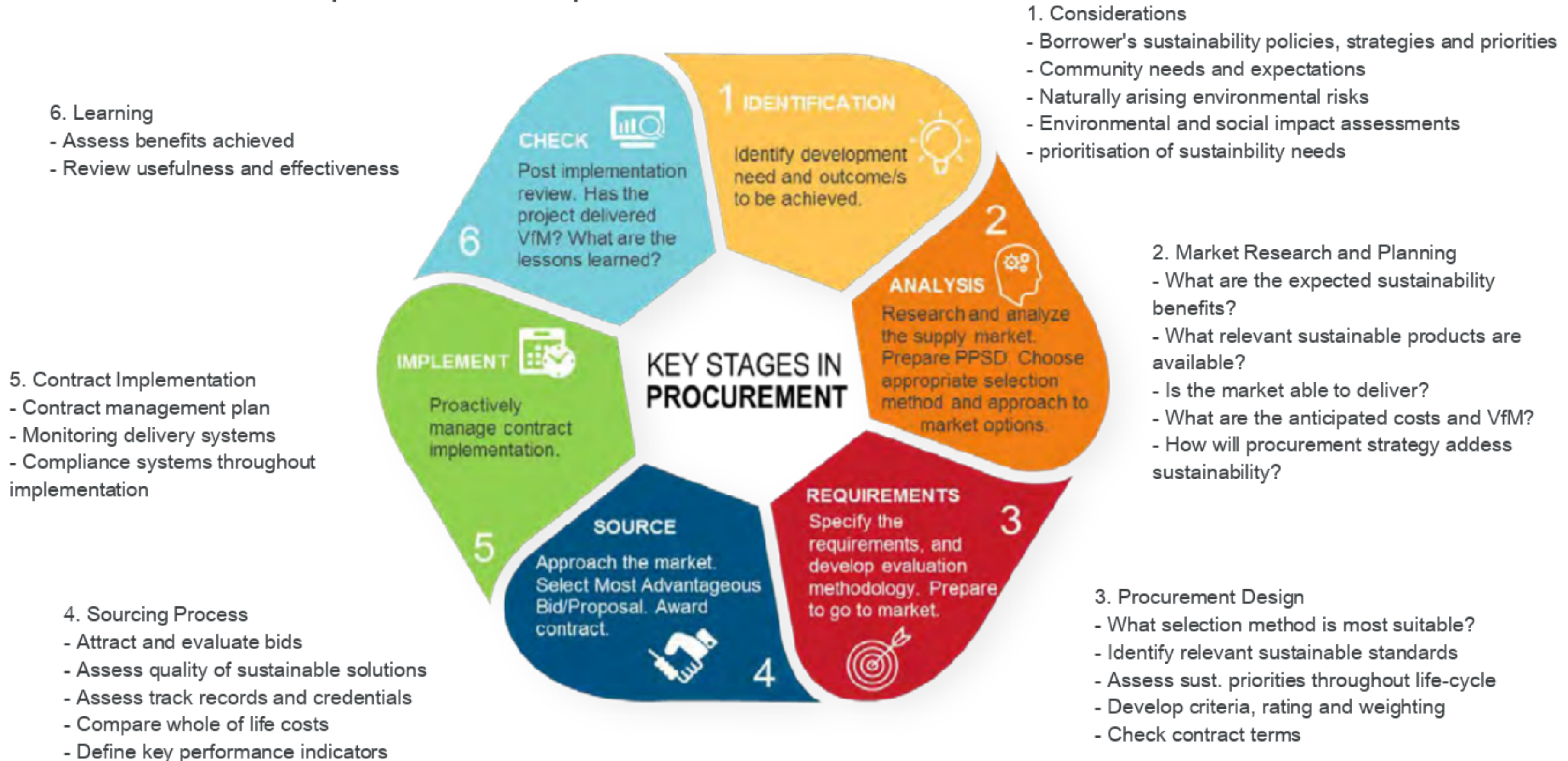
World Bank (2019)

**Choosing  
how we  
build our  
future!**





# What makes sust. procurement special?





Prioritise:  
Please  
move 1  
slide only

not at  
all :(

Have you been involved in one of these steps?

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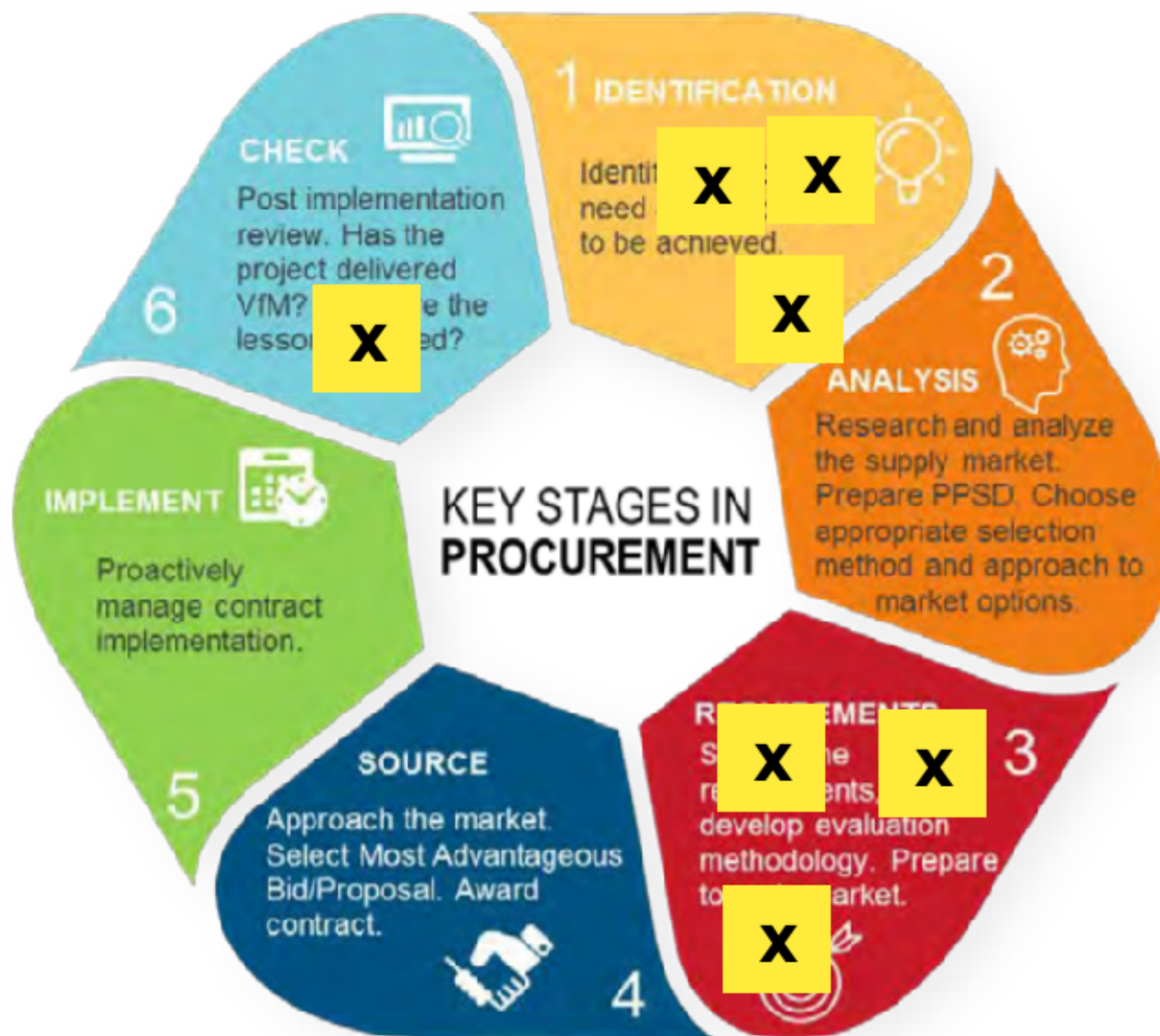
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**Prioritise:  
Please  
move 1  
slide only**

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## Benefits of Sustainable Procurement: Do you agree?

1. Develop the market's  
capacities to deliver  
sustainable solutions

**X**

2. Increase demand for  
sustainable solutions  
which in turn increases  
market competitiveness

**X**

**X**

**X**

3. Strive for innovative  
and more sustainable  
outcomes

**X**

**X**

4. Cost savings on a  
long-term basis by  
applying life-cycle  
costing

**X**

**X**

**X**

**X**

**Prioritise:  
Please  
move 1  
slide only**

## What are major challenges towards sustainable procurement? 6 examples

1. Setting Priorities in Procurement Strategies and change cost saving paradigm

**X**

2. Uncertainty on how to identify, assign, evaluate and monitor sustainability criteria

**X**

3. Limited Public budget, calculating the (non-monetary) costs of sustainability

**X**

**X**

4. Lack of engineering capacities to digest innovation, sustainable planning and design

**X**

**X**

**X**

5. Supply chain "black boxes" and lack of market intelligence

6. Due diligence, compliance and accountability gaps

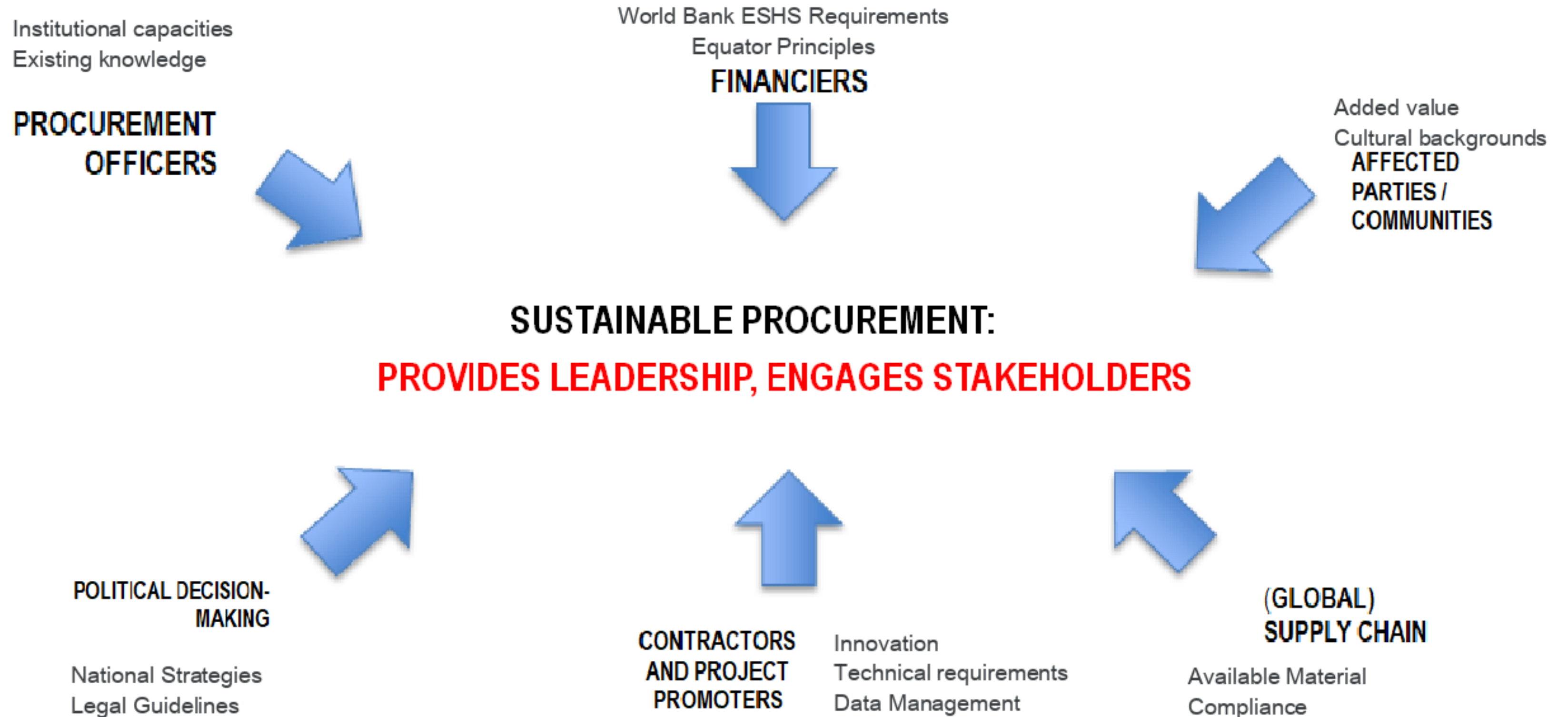
**X**

**X**

**X**



## Highlighting the Challenge of Stakeholder Engagement, Risk sharing and Liabilities



## Proposal: A platform for stakeholder engagement

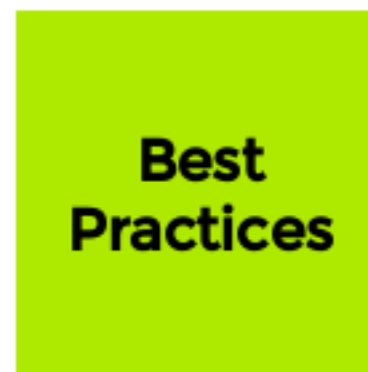
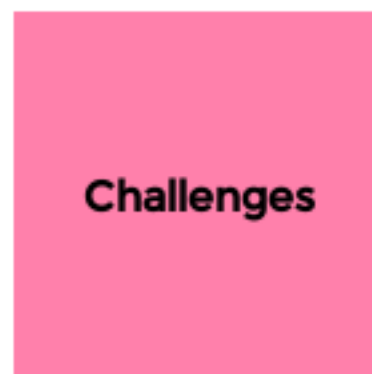
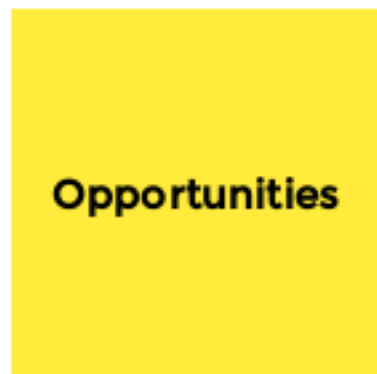
### Problem:

- Stakeholder engagement is not inclusive enough
- More guidance is needed to properly conceptualise and operationalise sustainability criteria (on a project basis)
- Strong uncertainty how to handle sustainability criteria

### Solution: Comprehensive stakeholder engagement platform

- Working Group format in which all involved parties can engage in consultation procedure
- Catalogue of sustainability criteria (and possibly products / designs) can serve as discussion baseline
- Procurement documents (Standard Bidding Documents) are exportable

## Open Discussion



# Proposal: A platform for stakeholder engagement

