

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)



BSI Standards Publication

Sustainable procurement — Guidance

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

National foreword

This British Standard is the UK implementation of ISO 20400:2017. It supersedes BS 8903:2010, which is withdrawn.

The UK participation in its preparation was entrusted to Technical Committee SDS/1/3, Sustainable Procurement.

A list of organizations represented on this committee can be obtained on request to its secretary.

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

© The British Standards Institution 2017
Published by BSI Standards Limited 2017

ISBN 978 0 580 85406 4

ICS 13.020.20; 03.100.10

Compliance with a British Standard cannot confer immunity from legal obligations.

This British Standard was published under the authority of the Standards Policy and Strategy Committee on 30 April 2017.

Amendments/corrigenda issued since publication

Date	Text affected
------	---------------

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

First edition
2017-04-15

Sustainable procurement — Guidance

Achats responsables — Lignes directrices



Reference number
ISO 20400:2017(E)

© ISO 2017

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)



COPYRIGHT PROTECTED DOCUMENT

© ISO 2017, Published in Switzerland

All rights reserved. Unless otherwise specified, no part of this publication may be reproduced or utilized otherwise in any form or by any means, electronic or mechanical, including photocopying, or posting on the internet or an intranet, without prior written permission. Permission can be requested from either ISO at the address below or ISO's member body in the country of the requester.

ISO copyright office
Ch. de Blandonnet 8 • CP 401
CH-1214 Vernier, Geneva, Switzerland
Tel. +41 22 749 01 11
Fax +41 22 749 09 47
copyright@iso.org
www.iso.org

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

Contents

	Page
Foreword	v
Introduction	vi
1 Scope	1
2 Normative references	1
3 Terms and definitions	1
4 Understanding the fundamentals	7
4.1 Concept of sustainable procurement	7
4.2 Principles of sustainable procurement	7
4.3 Core subjects of sustainable procurement	8
4.4 Drivers for sustainable procurement	8
4.5 Key considerations for sustainable procurement	9
4.5.1 Managing risk (including opportunity)	9
4.5.2 Addressing adverse sustainability impacts through due diligence	10
4.5.3 Setting priorities for sustainability issues	10
4.5.4 Exercising influence	11
4.5.5 Avoiding complicity	11
5 Integrating sustainability into the organization's procurement policy and strategy	11
5.1 Committing to sustainable procurement	11
5.2 Clarifying accountability	12
5.3 Aligning procurement with organizational objectives and goals	13
5.4 Understanding procurement practices and supply chains	13
5.5 Managing implementation	14
6 Organizing the procurement function towards sustainability	14
6.1 Governing procurement	14
6.1.1 Governance	14
6.1.2 Procedures and systems	14
6.2 Enabling people	15
6.2.1 Organizational culture	15
6.2.2 Performance management	15
6.2.3 Learning through collaboration	15
6.2.4 Guidance	15
6.3 Identifying and engaging stakeholders	16
6.3.1 Identifying key stakeholders	16
6.3.2 Engaging the supply chains	17
6.3.3 Engaging other stakeholders	18
6.4 Setting sustainable procurement priorities	18
6.4.1 Applying risk management	18
6.4.2 Using different approaches to set priorities	19
6.5 Measuring and improving performance	21
6.5.1 Defining metrics and indicators	21
6.5.2 Reporting	22
6.5.3 Benchmarking	23
6.6 Establishing a grievance mechanism	23
7 Integrating sustainability into the procurement process	24
7.1 Building on the existing process	24
7.2 Planning	25
7.2.1 Integrating key elements of sustainable procurement	25
7.2.2 Assessing sustainability risks (including opportunities)	25
7.2.3 Analysing the costs	26
7.2.4 Analysing organizational needs	27
7.2.5 Analysing the market	27
7.2.6 Completing the sourcing strategy	28

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

7.3	Integrating sustainability requirements into the specifications.....	29
7.3.1	Defining sustainable procurement criteria.....	29
7.3.2	Choosing the types of requirements.....	30
7.3.3	Applying minimum and optional requirements.....	30
7.3.4	Finding information to establish the requirements.....	31
7.3.5	Evaluating that sustainability requirements are met.....	31
7.4	Selecting suppliers.....	32
7.4.1	Assessing the capacity of suppliers.....	32
7.4.2	Prequalifying suppliers.....	33
7.4.3	Managing tenders.....	34
7.4.4	Awarding the contract.....	35
7.5	Managing the contract.....	36
7.5.1	Managing the supplier relationship.....	36
7.5.2	Implementing the contract.....	37
7.5.3	Using a contract management plan.....	37
7.5.4	Managing performance and relationships.....	38
7.5.5	Encouraging supplier-customer joint initiatives.....	38
7.5.6	Managing supplier failure.....	39
7.5.7	Managing disposal and end of life.....	39
7.6	Reviewing and learning from the contract.....	39
	Annex A (informative) Sustainable procurement issues.....	41
	Annex B (informative) Overview of ISO 26000.....	47
	Annex C (informative) Examples of a sustainability issue approach.....	49
	Bibliography.....	51

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation on the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT) see the following URL: www.iso.org/iso/foreword.html.

This document was prepared by Project Committee ISO/PC 277, *Sustainable procurement*.

In the development of this document, ISO Guide 82 has been taken into account in addressing sustainability issues.

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

Introduction

Every organization has environmental, social and economic impacts.

Procurement is a powerful instrument for organizations wishing to behave in a responsible way and contribute to sustainable development and to the achievement of the United Nations Sustainable Development Goals. By integrating sustainability in procurement policies and practices, including supply chains, organizations can manage risks (including opportunities) for sustainable environmental, social and economic development.

Sustainable procurement represents an opportunity to provide more value to the organization by improving productivity, assessing value and performance, enabling communication between purchasers, suppliers and all stakeholders, and by encouraging innovation.

This document assists organizations in meeting their sustainability responsibilities by providing an understanding of:

- what sustainable procurement is;
- what the sustainability impacts and considerations are across the different aspects of procurement activity:
 - policy;
 - strategy;
 - organization;
 - process;
- how to implement sustainable procurement.

[Figure 1](#) presents the structure of this document.

This document is applicable to any organization, public or private, regardless of its size and location. It is intended to be understood by any stakeholder involved in, or impacted by, procurement decisions and processes. The implementation of this document takes into account the particular context and characteristics of each organization, scaling the application of the concepts to suit the size of the organization. The adoption of this document by large organizations promotes opportunities for small and medium-sized organizations in their supply chains.

[Clause 4](#) provides an overview of sustainable procurement. It describes the principles and core subjects of sustainable procurement and examines why organizations undertake sustainable procurement. Important consideration is given to managing risks (including opportunities), addressing adverse sustainability impacts through due diligence, setting priorities, exercising positive influence and avoiding complicity.

[Clause 5](#) provides guidance on how sustainability considerations are integrated at a strategic level within the procurement practices of an organization, to ensure that the intention, direction and key sustainability priorities of the organization are achieved. It is intended to assist top management in defining a sustainable procurement policy and strategy.

[Clause 6](#) describes the organizational conditions and management techniques needed to successfully implement and continually improve sustainable procurement. The organization ensures that such conditions and practices are in place in order to assist individuals with responsibility for the procurement of goods or services integrate sustainability considerations into the procurement process.

[Clause 7](#) addresses the procurement process and is intended for individuals who are responsible for the actual procurement within their organization. It is also of interest to those in associated functions, as it describes how sustainability considerations are integrated into existing procurement processes.

This is a preview of "BS ISO 20400:2017". Click here to purchase the full version from the ANSI store.

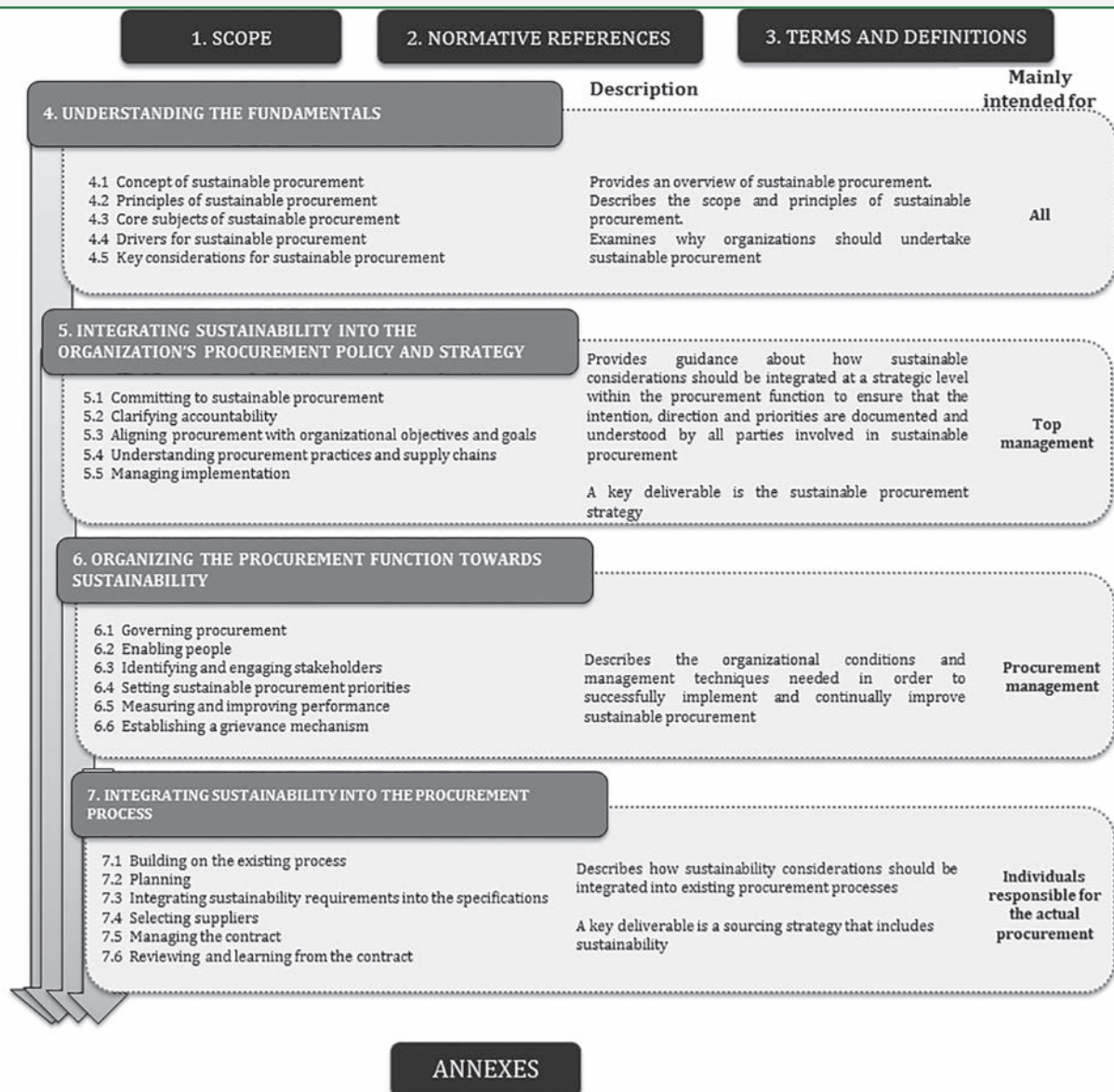


Figure 1 — Schematic view of the content of ISO 20400

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

This is a preview of "BS ISO 20400:2017". [Click here to purchase the full version from the ANSI store.](#)

Sustainable procurement — Guidance

1 Scope

This document provides guidance to organizations, independent of their activity or size, on integrating sustainability within procurement, as described in ISO 26000. It is intended for stakeholders involved in, or impacted by, procurement decisions and processes.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <http://www.iso.org/obp>
- IEC Electropedia: available at <http://www.electropedia.org/>

3.1

circular economy

economy that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles [SOURCE: Adapted from Ellen MacArthur Foundation[24]]

3.2

decent work

work performed in conditions of freedom, equity, security and human dignity

[SOURCE: Adapted from ISO 26000:2010, 6.4.1.1, Box 8]

3.3

due diligence

process through which *organizations* (3.16) proactively identify, assess, prevent, mitigate and account for how they address their actual and potential adverse impacts as an integral part of decision-making and *risk management* (3.22)

3.4

environmental label

claim which indicates the environmental aspects of *goods* (3.7) or *services* (3.23)

Note 1 to entry: An environmental label or declaration may take the form of a statement, symbol or graphic on a product or package label, in product literature, in technical bulletins, in advertising or in publicity, amongst other things.

[SOURCE: ISO 14020:2000, 2.1, modified — The alternative term “environmental declaration” has been deleted, and the words “product or service” have been replaced by “goods or services” in the definition]