



Chapter V: The Procura⁺ Milestones

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This chapter presents two management approaches for implementing sustainable procurement in your organisation:

- **Procura⁺ Milestones process** – offering a simple, flexible, yet comprehensive management system for implementing sustainable procurement in a public authority – Sections 1 - 3
- **Procura⁺ Quick Start** – a simplified approach allowing authorities to begin with sustainable procurement right away, without the need to set up a full management system – Section 4

Many authorities will already have an appropriate management system in place for implementation. The Milestones process presented below may still provide some ideas for adaptation.

1 The Procura⁺ Milestone process - introduction

The Milestones process has been designed together with a group of leading public authorities to ensure its practicality and effectiveness^[1], and is based upon the typical management cycle of “Plan, Do, Check, Act”. Following the simple steps presented here will ensure a continuous improvement in environmental, social and economic performance based upon formulating and implementing an Action Plan for sustainable procurement, monitoring its implementation, reviewing progress and the making of necessary changes. The following figure provides an overview of the steps to be taken:



Figure 1:
Overview of the
Procura⁺ Milestone
Process

1.1. A flexible framework

The Procura⁺ Milestone process outlined above is designed with flexibility in mind - applicable for any public authority no matter its size or structure. Each step can be applied as concisely or comprehensively as required. For example:

- You may consider whether to apply the system for the whole authority or for just one department. Starting with just one or two departments may be more appropriate if the authority is big, is new to sustainable procurement, and wishes to pilot the activities first.

[1] www.iclei-europe.org/relief

- Consider how many product and service groups you wish to cover. Again, authorities just starting out will likely want to start with just one or two. Pilot activities are of course very helpful in demonstrating the practicality and benefits of sustainable procurement. For authorities further advanced, the Milestones process may be applied to all the procurement activities of the whole organisation.

The Milestone process also allows for different political approaches to implementation – see section below. A ‘Quick Start’ approach is also presented at the end of this chapter (Section 4) for those who wish to start right away without a full management frame work. There is of course no barrier to starting implementation immediately; however sustained and systematic implementation will eventually require a management system such as the Procura⁺ Milestones.

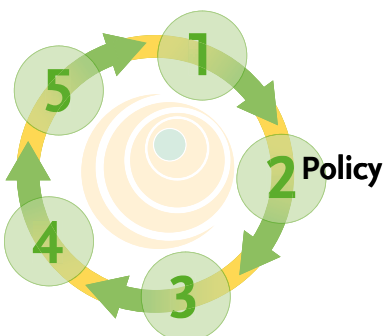
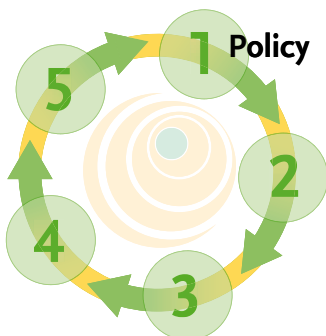
1.2. Political support

Having the necessary political support for the implementation of sustainable procurement is critical to success. Experiences across Europe demonstrate very clearly that without political backing it can be difficult for those committed to implementation to get effective co-operation from other colleagues.

The existence of a written sustainable purchasing policy, provides a useful basis on which to build a coherent, well co-ordinated approach. Elected officials should be responsible for maintaining political commitment to sustainable procurement. Without such a policy, efforts tend to be rather piecemeal and based on the personal efforts of certain staff members. Furthermore, encouraging those with purchasing responsibilities to include environmental and social considerations in their procedures without clear policy statements can be harder.

Political backing through policies can take different forms. How you use the Milestone process will depend on your own situation:

- **General commitment to implementing sustainable procurement**
 - for example a statement within a Procurement Policy committing the authority to consider environmental and social issues in procurement. In this case, the Milestone Process can be seen as the full implementation cycle for this policy. The policy comes before Milestone 1 – as indicated in the diagram on the left
- **Comprehensive sustainable procurement policy**
 - we would advise the preparation of a more comprehensive approach containing clear targets (further information on developing such a policy can be found on the attached CD ROM, or at www.procuraplus.org). If this is the approach selected, Milestone 1 should act as the preparatory step for the development of the policy, with the concrete target setting and policy itself carried out in Milestone 2 – as indicated on the left



Procura⁺ participants are required to make a political commitment to sustainable procurement within 2 years of joining the Campaign.

1.3. Allocating responsibility

A management system does not run itself. Before the Milestone process can be implemented it is of course necessary to allocate responsibility.

Again, the number of people involved will depend on the scope of activities to be covered and the resources available within the authority. At the most basic level, one “champion” will take full responsibility for co-ordinating the five steps – of course they will need to feel confident of receiving the support of their colleagues in doing so.

If the number of activities is large and a more comprehensive system is to be put in place, it will be more effective to set up a Working Group under a co-ordinator, involving representatives from different departments relevant to implementation, e.g. purchasing, environmental, financial, communications officers. This will contribute to developing and implementing a SP Action Plan. The size and composition of the group will depend on the size and structure of the public authority.

Procura+ participants need to designate a liaison, responsible for communicating with ICLEI.

2 The Procura+ Milestones

2.1. Milestone One: Preparation

Purpose	<ul style="list-style-type: none"> • Survey current procurement practices through carrying out a Baseline Inventory • Define the scope of the activities: <ul style="list-style-type: none"> • Should it cover the whole authority? Or just certain departments? • Which product/service groups to focus on
Deliverable	<ul style="list-style-type: none"> • Baseline Inventory, including Procurement Scorecard. • Defined scope for the activity



Before implementation a few preparatory steps need to be taken.

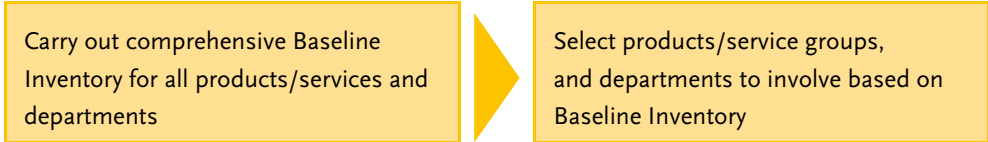
One is to survey the current situation (Baseline Inventory) – this will provide a baseline against which to measure progress, and help to identify actions which need to be taken.

Another is to clearly define which parts of the organisation the activities will cover (the whole organisation, or just certain departments), and which product/service groups will be addressed.

2.1.1. Implementation approaches

There are different models for which activity should come first in Milestone One, as represented in the graphic below:

Model 1: Comprehensive approach



The most comprehensive (and time-consuming) approach is to carry out a Baseline Inventory (see Section 2.1.3 below) for all the procurement activities (all products/ services and all departments) of your authority. The results from the survey will help you select the most useful groups and departments to start with. For bigger authorities this will likely be a very challenging activity, and it is recommended to use either Model 2 or 3.

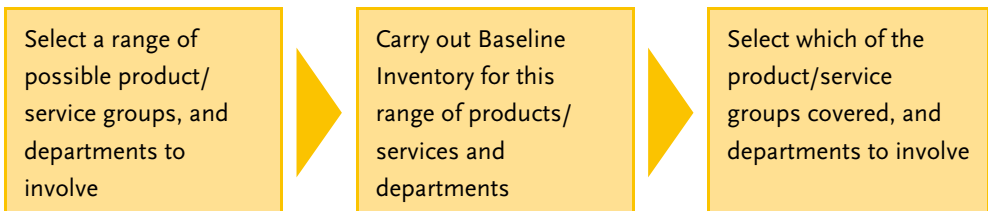
Model 2: Simplified approach



The second approach is the most straightforward. This involves making the decision on products/services and departments at the start, and then limiting the survey in the Baseline Inventory to just these areas.

In some authorities the decision on which product/service groups to focus on may be taken to start with – this may be because there are specific local priorities coming from other policies (e.g. reductions in CO₂ emissions, waste generation, or the use of non-sustainable timber), or it maybe because time resources are limited.

Model 3: Mixed approach



The final approach is a combination of both. An initial decision is taken on which products/services and departments may be appropriate for sustainable procurement. The survey in the Baseline Inventory is then carried out for this range. Finally you decide on which of the products/services and departments surveyed to focus on.

2.1.2 Selecting product/service groups

The decision on which and how many product/service groups to focus on, will depend on a number of factors. For example:

- Level of skills and resources available for implementation
- Local environmental/social priorities
- The budgetary importance of certain product/service groups
- The commitment levels of different departments within the authority
- National market availability of appropriate alternative products/services at a competitive price

The six Procura⁺ product groups have been selected due to their high budgetary importance, the large potential environmental/social benefit, and the availability of competitive alternatives on the market. These can be used for guidance when selecting which groups to cover.

Procura⁺ participants are required to implement sustainable procurement for at least one of these six product groups.

2.1.3 The Baseline Inventory

The Baseline Inventory is an important preparatory stage to implementation and may be divided into two components:

1. **A survey of the organisational arrangements** for the procurement activities covered – whether centralised/decentralised, which people and departments are involved, and in what way
2. **The Procurement Scorecard** – Collecting data on the quantities of a particular service/product currently purchased, the price paid, together with any environmental/social criteria already used.
This Scorecard forms the basis of the continuous monitoring activities of the Milestones approach

The Inventory will help the authority to make more well-informed decisions, set realistic targets, establish a baseline for measuring the progress in sustainable procurement, and reveal opportunities for improving the overall efficiency of management practices. It can also prove an effective internal communication tool.

Survey of organisational arrangements

To effectively plan sustainable procurement activities it is helpful to have a good overview of the organisational arrangements for the procurement activities you wish to cover – i.e. who is involved in procurement activities and in which way. This will also help you find the information to complete the Procurement Scorecard. The level of detail for this survey will depend on your resources but the following questions could be addressed:



The Procura+ Milestones

Purpose	<p>These questions help to identify who is involved in the decision-making process for procurement, and therefore who should be involved in sustainable procurement activities.</p> <p>The influence of individual departments on the products/services procured can vary considerably – even to the extent of demanding specific brands or suppliers</p> <p>This will also help to identify whether long-term existing contractual arrangements with suppliers are in place. If they are, other product/service groups should be tackled first.</p>
Question	<ol style="list-style-type: none"> 1. Who is responsible for the purchasing of the products/services covered? Is their purchasing centralised? 2. Which departments use the products/services? (Only relevant if covering more than one department) 3. What influence does the department using the product/service have on the procurement process, including the characteristics of the product/service bought? 4. If environmental and/or social aspects are considered in procurement, who provides the criteria? 5. Who writes the tender documents? 6. Are there existing contracts in place with suppliers? Until when do the contracts run?

Box 1:
Baseline inventory
– Survey of
organisational
arrangements

If you have completed one complete cycle of the Milestones process and have reached this Milestone for the second time it is important to once again carry out this survey to reassess status. This is particularly important if you are focusing on further product/service groups and/or departments.

The Procurement Scorecard

The Procurement Scorecard is a simple tool for recording your sustainable procurement activities and monitoring progress year by year. An electronic version of the Scorecard shown in Table 1 below is included in Excel form on the attached CD ROM (and at www.procurplus.org) for ease of use.

It shows the increase in the number of sustainable products and services purchased over time, and how spending has changed. It also incorporates spending on utilities (electricity, water, waste etc.) to give a more accurate reflection of changing costs as a whole.

It should be completed within Milestone One, and then revised in Milestone Five.



Product/ service	Unit	2006				2007				Comments: please: - Indicate if Procura+ criteria were used partially or completely - Indicate if figures are for one department or the authority as a whole - Indicate if any social criteria were used - Provide feedback on the Procura+ criteria
		Total Units purchased in 2006	Sustainable units purchased in 2006	Procura+ criteria used? (Y/N)	Amount spent in total (€)	Total Units purchased in 2007	Sustainable units purchased in 2007	Procura+ criteria used? (Y/N)	Amount spent in total (€)	
1. Food	(kg or €)									
2. New Buildings	m ² built									
3. Computers	Buses purchased									
4. Buses	Surface area cleaned (m ²)									
5. Cleaning Services										
Utilities	Unit	2006 Units purchased	2006 Green units purchased	Procura+ criteria used? (Y/N)	Amount spent (€)	2007 Units purchased	2007 Green units purchased	Procura+ criteria used? (Y/N)	Amount spent in total (€)	
Electricity	KWh									
Water	M ³									
Waste disposal	Tonnes									
Other (gas, oil...)										

Table 1: Procurement Scorecard, available in Excel format on the attached CD-ROM, and Procura+ website www.procuraplus.org

The Scorecard is formatted in a simple Excel table for ease of use and understanding. Procura+ participants can keep a record of the sustainable purchases they have made each year using both the Procura+ and/or other purchasing criteria for as many product/service groups as required.

It can take some time to collect this data, especially where purchasing is decentralised or if you are covering all the procurement actions of your authority, but it provides crucial information to report your achievements and assess your progress.

Of course some contracts may cover a number of years, or in other cases there may be no purchases of a certain product/service in a single year. Data should still be entered for the actual purchases made that year. This will allow a clear picture to develop over time.

The comments column is there to help you keep track of important details. This could include, for example, if Procura+ criteria were used partially or completely, if the purchases were for a department or the authority as a whole, whether any social criteria were used and for providing feedback on the Procura+ criteria.

Procura+ Campaign participants are requested to send their scorecard to ICLEI at the end of every year. This enables ICLEI to compile a report documenting the cumulative achievements of the participants. The positive results of the Campaign will help promote further sustainable procurement at the EU level and world-wide.



2.2. Milestone Two: Setting targets

Purpose	<ul style="list-style-type: none"> To set targets tailored to the specific interests and capacities of the public authority
Scope	<ul style="list-style-type: none"> Any number of product/service groups can be included Can cover a single department or the whole authority
Deliverable	<ul style="list-style-type: none"> Clear and quantifiable targets

Clearly communicated targets are important in providing strong political support to those responsible for implementation. They also clearly help to demonstrate your commitment to the general public and provide a framework for measuring progress.

If your authority is developing a comprehensive sustainable procurement strategy, the targets set should be included directly in the policy document (for more advice on this see the tool on the attached CD ROM, also available at www.procuraplus.org).

If you already have a policy which does not contain specific targets, these can be set as internal operational targets, but should be committed to at as high a decision-making level as possible within your authority.

If you have completed one complete cycle of the Milestones process and have reached this Milestone for the second time, many of your targets will likely still be valid. If you are targeting new products/services you will of course need to set new targets for those.

To be most effective targets should be:

- Product specific
- Measurable
- Time-bound
- Challenging, yet realistic

Examples of possible product targets are provided in Box 2 below.

The <Name of the authority> commits to the following targets:

By 2008.....ensure that 30% of agricultural products and food come from organic sources

By 2008.....ensure that no purchased cleaning products contain dangerous substances

By 2009.....ensure that 80% of new buildings meet high energy performance standards

By 2010ensure that all newly purchased public buses meet ultra-low emission standards

By 2011ensure that 90% of new electronic office equipment is energy efficient

By 2012.....ensure that 20% of electricity purchased comes from renewable resources

Box 2:

Examples of sustainable procurement targets set by a public authority

2.2.1 How to set targets

- Use the Baseline Inventory information. This will indicate current status. This should help to indicate what realistic targets should be.
- Market research – It is important to have a good idea of what is available on the market and at what cost. Where you are unsure it can be a good idea to carry out an open technical dialogue with the market, investigating with potential suppliers and other experts.
- Get advice from others with experience – A great deal of time can also be saved by speaking to other public authorities who already have sustainable procurement experience in that area. Through joining Procura+, you will have easy access to experienced professionals right across Europe who can assist.
- Consider organisational factors – The level of centralisation in procurement can influence the targets set. With highly centralised procurement it is easier to ensure that all procurement actions meet the new sustainability standards set. Where procurement responsibilities are decentralised it is more difficult to both ensure all procurers have the necessary skills to integrate sustainability demands, and to monitor whether this is being done.



2.3. Milestone Three: Developing the Action Plan

Purpose	<ul style="list-style-type: none"> To plan activities and assign responsibilities for achieving the targets
Deliverable	<ul style="list-style-type: none"> Action Plan

2.3.1 The Action Plan

The Action Plan is a concise, clear document tailored to the specific needs and purchasing practices of your public authority. It should be communicated and made accessible to all employees involved in all stages of the procurement process.

For those with a comprehensive sustainable procurement policy, the Action Plan will provide clear, practical details on how the targets in the policy will be achieved.

The scope and detail of the Action Plan will depend on the comprehensiveness of the implementation approach being taken

The Plan should ideally contain:

- the political commitment made by your authority, including the targets set,
- a description of the assigned responsibilities,
- a description of the implementation measures and procedures,
- relevant progress indicators,
- a timeframe.

2.3.2 What actions should be covered?

This of course very much depends on the scope of the targets set by the authority. For each target it must be carefully considered how this will be met. It will likely cover specific tendering actions, together with accompanying training and communication activities, for example:

Tendering:

- Identifying appropriate environmental/social purchasing demands, including perhaps market research
- Incorporating these demands into actual tender documents
- Identifying opportunities for joint procurement (i.e. combining your procurement actions with other authorities) to access cost and administrative savings (for more information on this see Chapter IV, Section 5 and the joint procurement tool on the attached CD-ROM, also available at www.procuraplus.org)
- Publishing tenders, evaluating offers and signing and maintaining contracts
- Monitoring and reporting actions and results

Training:

It is critical to ensure that the staff responsible for carrying out specific tasks have the appropriate skills, or that appropriate training is given:

- For procurers on the technical aspects of sustainable procurement implementation
- For financial staff on the concept of life-cycle costing
- For end-users on the sustainable use of products

Communication:

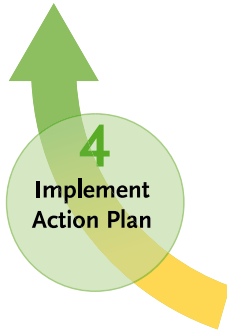
Sustainable procurement is most effective if there is a clear understanding of what it is, and the reasons for its introduction among all staff within the organisation, and amongst suppliers. The following activities could be included:

- Awareness raising activities for general staff – possibly through seminars, in-house newsletters, the organisation's intranet
- Communicating intentions to suppliers providing the time and information to adjust to new requirements, including perhaps hosting seminars
- Presenting activities to the general public

2.3.3 Assigning responsibilities

The public authority should decide:

- *Who will be responsible for the overall co-ordination of sustainable procurement efforts?* Responsibility for co-ordinating all activities and ensuring declared targets are met, should be allocated to one person.
- *Who will be responsible for actual implementation?* The Action Plan should outline specific tasks, and allocate clear responsibility for carrying these out. The process of preparing environmental/social purchasing specifications will likely require the expert input of a number of people (especially the environmental department and procurement officers). Final responsibility for ensuring actual implementation will likely need to rest with the actual procurers however.



2.4. Milestone Four: Implementing the Action Plan

Purpose	<ul style="list-style-type: none"> To implement the Action Plan
Deliverable	<ul style="list-style-type: none"> Procurement of more sustainable products/services Training of staff and internal communication External communication and marketing Communication with suppliers

For further advice on the actual incorporation of environmental and social demands into specific tendering activities please see Chapter III of this Manual.

The Procura⁺ criteria in Chapter VI provide actual text that can be included in tendering documents, together with clear advice on implementation. If you are focusing on one of these product groups this helps to reduce the workload in developing your own criteria. Ecolabels, and national guidance can also provide clear advice.



2.5. Milestone Five: Monitoring progress and reporting results

Purpose	<ul style="list-style-type: none"> To assess and report on achievements Review targets set
Deliverable	<ul style="list-style-type: none"> Procurement Scorecard Internal review

This Milestone serves to assess whether the targets previously set by the public authority have actually been achieved, identify any problems encountered and develop solutions. It should also be used as an opportunity for communicating progress to the outside world, and through this helping to raise general awareness.

The Milestone involves two actions:

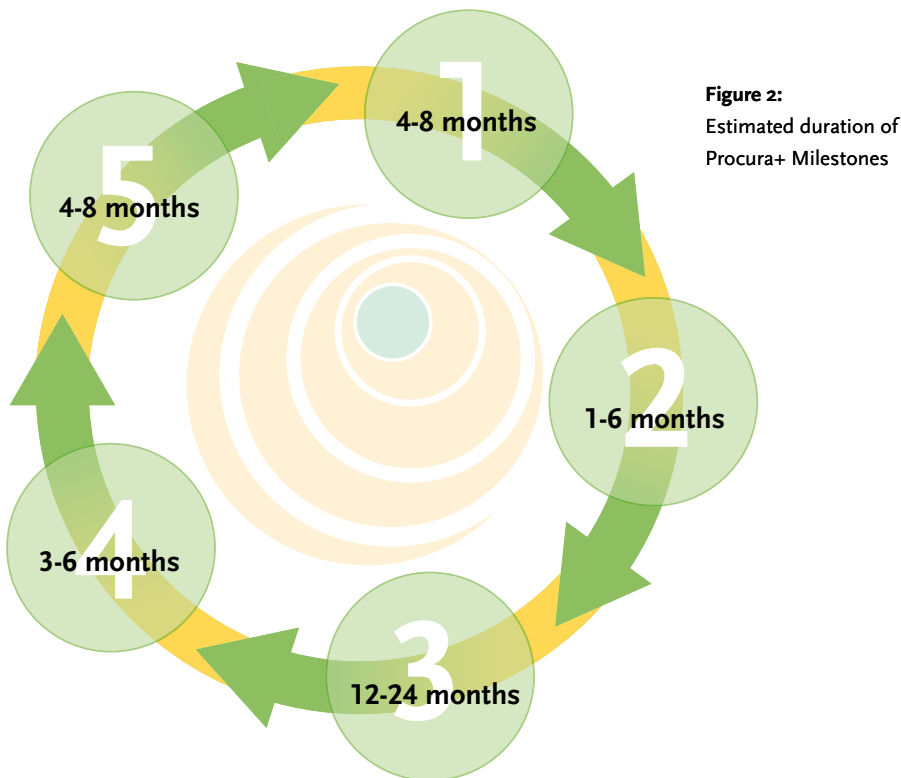
- Updating the Procurement Scorecard to show progress towards meeting targets set.
- An internal review, looking specifically at whether the planned measures and procedures have been implemented, what has been achieved, any barriers encountered and proposed solutions. This could be informal as well as official, and the scope of the review will of course depend on the scope of the activities undertaken.

Once a full cycle of the Milestones process has been completed you should return to Milestone One and repeat the procedure. At the end of the first cycle, it is also a useful time to carry out a more detailed assessment of any remaining barriers to further sustainable procurement implementation within your authority. The attached CD ROM contains a useful tool for assessing, and trying to overcome internal barriers (also available at www.procuraplus.org).

Procura+ participants should send completed Procurement Scorecards to ICLEI. This will allow ICLEI to communicate combined achievements to a broad European public, and assist in raising the profile of sustainable procurement with key stakeholders (national governments, European Commission, UNEP etc.).

3 Duration of the Milestones process

The amount of time needed to implement one complete cycle of the Milestones process is largely dependent on the size of the public authority, the number of products covered and the authority’s previous experience with sustainable or green procurement. Although each single step is designed to require as little work time as possible, realistically, the process is run by existing staff in the local authority who still have to carry out their other day-to-day tasks. The following figure gives an estimate of the duration of the different stages based on this assumption:



The review of current procurement practices and the creation of an Inventory should take between three and six months. Targets can be set within one month, but if a substantial discussion takes place, it can take 6 months (or more). The process of developing an Action Plan should not take more than 3-6 months, while implementing the Local Action Plan can be expected to take at least a year. This is because a number of products are not purchased more than once a year (actually many contracts run even longer). A maximum of 24 months should be foreseen. The monitoring and reviewing of progress should be achieved within 4-8 months.

Summing up these timeframes, all Milestones could be implemented within two years, but this process could also be scheduled to take up to four years.



4 Procura⁺ Quick Start

Some authorities may wish to begin with sustainable procurement right away, without the need to set up a full management system. In some authorities this may, for example, allow some quick pilot activities to take place which can then help raise support for more comprehensive implementation.

It should be noted, however, that to genuinely ensure systematic implementation (not dependent on particular “champions” within an authority staying interested) it is advisable to set up a proper management system, or integrate sustainable procurement implementation into an existing one.

The Quick Start approach is a scaled down version of the Milestone process and consists of 3 steps:

1. Select product/service groups
2. Incorporate environmental/social criteria into calls for tender
3. Monitor and review results

4.1. Step 1: Select product/service groups

The considerations presented in Milestone One (Section 2.1.2) are still relevant here, and should also be read.

Some other points should be considered for making a quick start:

- Products will likely be easier to start with than services, as environmental/social demands are more easily integrated into tendering
- Start with a product where environmental/social criteria will be most straightforward – e.g. IT equipment, paper, cleaning products, food
- Think about products demonstrating the highest financial savings over the life-cycle (typically energy-consuming products), or with relatively small levels of spending (such as paper or cleaning products)
- Consider products where purchasing criteria are readily available – the Procura⁺ product groups, for example, or products covered by eco-labels and/or national guidelines

4.2. Step 2: Incorporating environment and social criteria in calls for tender

To minimise work it is advisable to use purchasing criteria that have already been developed. The Procura⁺ criteria are one example. As noted above ecolabels and national guidelines can also provide assistance.

Another approach is to contact other public authorities who have experience in this field, or are themselves working on the topic currently. ICLEI can assist with identifying such authorities where required.

Further guidance on how to include environmental demands into tendering is included in Chapter III.

4.3. Step 3: Monitor and review progress

No matter how comprehensive your approach to sustainable procurement implementation, it is vital to make sure you keep a record of your results, and review performance. The Procurement Scorecard and internal review outlined in Milestone Five above (Section 2.5) provide a very simple approach to collecting data on achievements and identifying problems.