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## **2022-2024 Sustainable Procurement Action Plan**

*Building a Four-Pillar Best Practice Sustainable Procurement Program*

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PREPARED BY:

**reeve**  
CONSULTING.COM

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# 2022-2024 Sustainable Procurement Action Plan

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# 2022-2024 Sustainable Procurement Action Plan

## 1. Introduction & Purpose

The City of Winnipeg spends about \$400M annually on goods, services, and construction. Every dollar spent by the City has social, environmental, and economic impacts—both positive and negative. Achieving ‘best value’ for residents places the onus on the Public Service to maximize positive benefits and minimize adverse effects of procurement. To meet this challenge, Winnipeg, like other municipalities across Canada, is adopting sustainable procurement practices to amplify the positive impacts of spending.

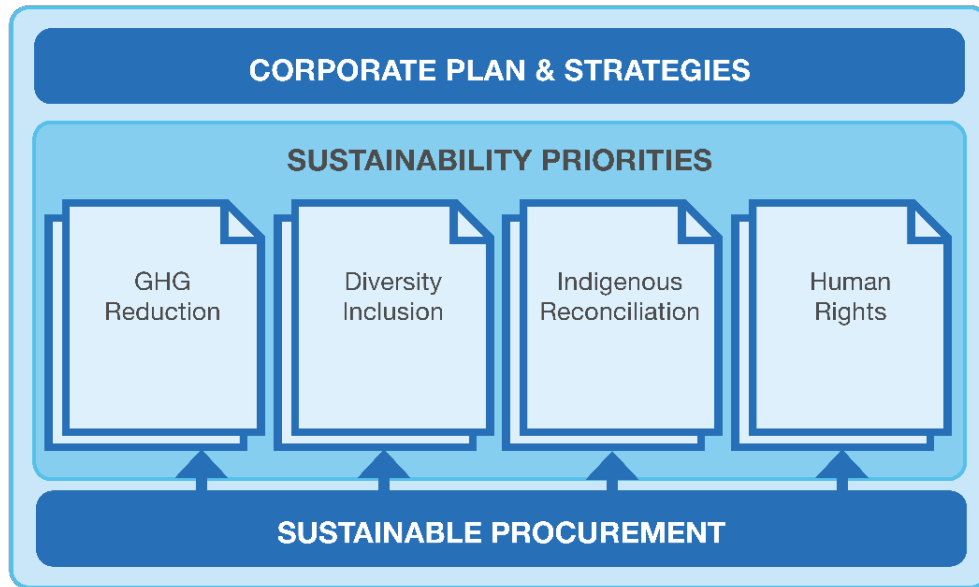
To date, efforts have focussed on addressing environmental and ethical human rights issues with some important wins such as purchasing energy efficient copiers, green cleaning supplies, and Fairtrade certified coffee.

The Sustainable Procurement Action Plan (SPAP) will accelerate sustainable procurement at the City, building on past successes to create a total program able to take full advantage of opportunities across all four pillars of sustainable procurement: environmental, ethical, social, and Indigenous.

The purpose of the SPAP is to provide a roadmap for building and optimizing a high impact sustainable procurement (SP) program over the next three years. The implementation of the plan will be led by the Materials Management Division with support from the Office of Sustainability, client departments and subject matter experts from supporting departments responsible for addressing the City’s sustainability priorities.

## 2. What is Sustainable Procurement?

Sustainable Procurement is a powerful tool to help the City deliver on sustainability priorities outlined in key Plans and Policies.



- Strategic Plans and Policies supported by Sustainable Procurement include:
- *Winnipeg’s Indigenous Accord*
  - *OurWinnipeg 2045 Development Plan*
  - *Winnipeg’s Poverty Reduction Strategy*
  - *Universal Design Policy*
  - *Equity Diversity and Inclusion Policy & Strategy*
  - *Newcomers Welcome and Inclusion Policy & Strategy*
  - *Winnipeg’s Climate Action Plan*
  - *Winnipeg’s Green Building Policy*
  - *Winnipeg’s Green Fleet Plan*

Sustainable procurement embeds relevant sustainability considerations into the selection of goods and services, along with factors such as price, quality, service, and technical specifications. It addresses both the sustainability factors for a specific good or service as well as the operational practices of suppliers along the supply chain. Sustainable procurement means getting best value for the City over the total life of a good or service, while seeking opportunities that address environmental, ethical, social, and Indigenous opportunities and risks.

Here are two examples of what this looks like in practice:

When the City buys coffee for its food services areas, it would add organic, Fairtrade or locally-roasted coffees to the mix of regular coffees offered, or potentially only carry blends that have a recognized sustainability certification (e.g., Fairtrade). This preference would be expressed in bidding documents. Then, when evaluating bids from potential suppliers, the City would look at how

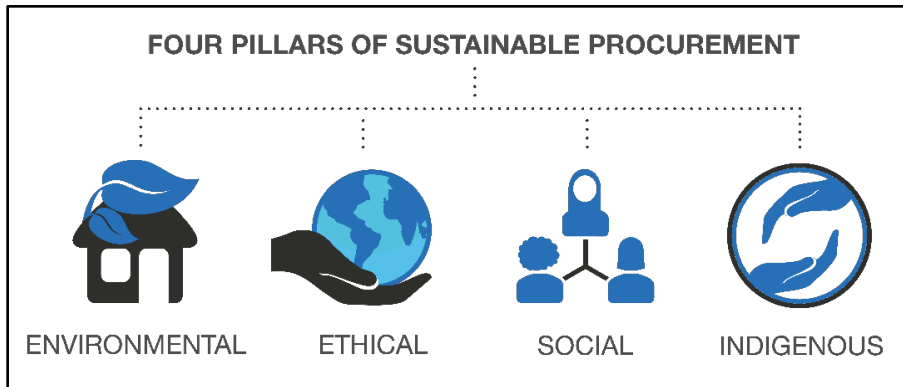
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effectively suppliers were able to deliver on sustainability opportunities and, importantly, whether these came at a price that represented best overall value.

Or when buying promotional items, looking at the procurement through a sustainability lens would mean requiring the supplier to meet minimum standards for health, safety, fair labour practices and wages as set out in Canadian legislation, or international standards if products were coming from overseas. It would also mean considering the potential to find an item made locally, from reusable waste materials (e.g., wooden pallets, tree deadfall) by newcomers.

## A Four-Pillar Program:

There are lots of issues that sustainable procurement can address; every organization prioritizes different issues and organizes their sustainable procurement portfolio accordingly. Winnipeg has adopted a four-pillar model developed by the Canadian Collaboration on Sustainable Procurement (CCSP), a group of 40 Canadian cities, post-secondary institutions, and crown corporations promoting sustainable procurement and sharing best practice. Winnipeg has been a member for the last five years. The four-pillar model promotes a comprehensive approach to sustainable procurement that addresses supply chain opportunities and risks across four broad areas: environmental, ethical, social, and Indigenous.

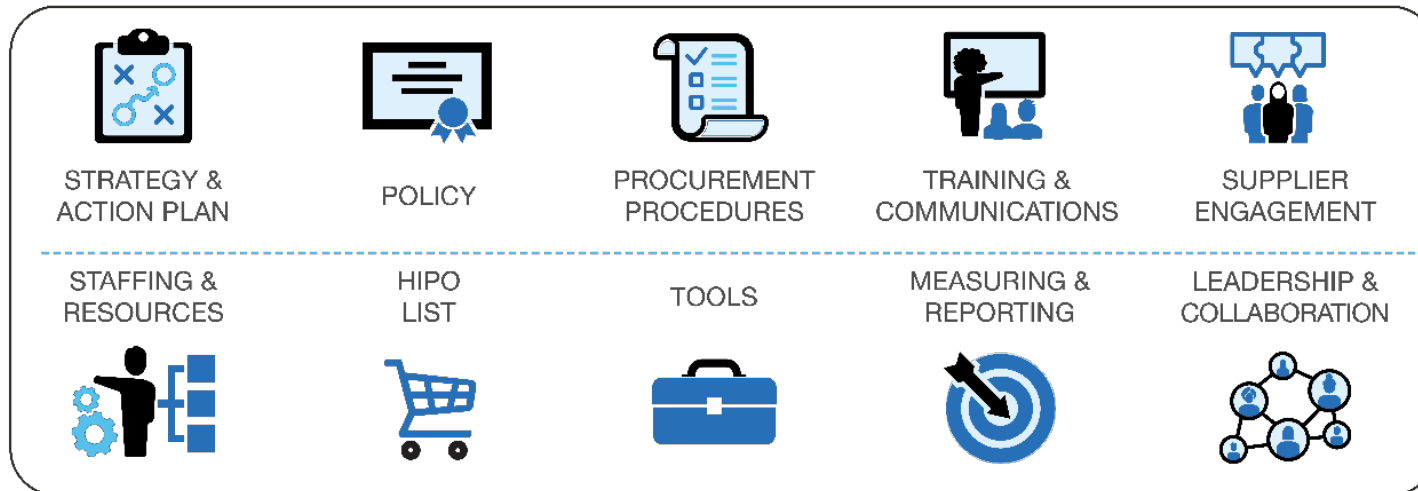


The City has historically addressed environmental and ethical risks and opportunities; and in recent years has started to address opportunities in the social and Indigenous pillars such as purchasing from social enterprises and Indigenous businesses. Now, through the implementation of the SPAP, the City will develop a program that delivers positive outcomes across all four pillars.

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## Best Practice Program Elements:

Through the collective experience of its members over 10 years, the CCSP has developed a best practice framework aligned with the International Organization for Standardization’s *ISO 20400 Guideline for Sustainable Procurement* that identifies 10 program elements that make for a solid and impactful SP program. Over the next three years, Winnipeg will work to build out all of the 10 best practice elements aligning and harmonizing policy, procedures, resourcing, tools, and measurement to deliver environmental, social, ethical, and indigenous opportunities. (Note: HIPO = High Impact Procurement Opportunity.)



*10 Best Practice Sustainable Procurement Program Elements*

## 3. Program Vision and Goals

The program vision and goals will drive the development of the SP program towards a future state where Winnipeg's procurement is a powerful tool contributing to the delivery of the City's key Strategic Plans and Policies.

### Sustainable Procurement Program Vision Statement

*Our procurement practices fully consider the relevant social, economic, and environmental impacts related to the products and services we purchase and the suppliers who deliver them. Sustainable Procurement helps deliver on City priorities and goals and tangibly improves the social, economic, environmental, and ethical performance of our procurements and our supply chain.*

*We have a diverse, inclusive, and fairly paid supplier base with progressive sustainability practices that create value for customers and the community. Winnipeg's procurement is a catalyst for social and environmental innovation in the marketplace leading to a low carbon, circular and inclusive economy that honours Reconciliation with Indigenous Peoples.*

### Program Goals

**G1 Program.** Build out all 10 elements of a best practice program.

*We have built a best practice sustainable procurement program where all 10 elements are in place and the program is fully operational. Employees across the organization have the resources, tools, skills, and expertise to fully realize the potential of sustainable procurement.*

**G2 Activity.** Meaningfully and regularly incorporate sustainability into procurement decision-making.

*Sustainability is considered in all procurements. Every time we buy something small or large, we consider the sustainability risks or opportunities and account for them in the way we carry out the procurement. This is a regular practice that is fully embedded. We have set targets and monitor a number of indicators (KPIs) to measure how often and how well we do this.*











**G3 Impact.** Realize significant positive environmental, ethical, social, and Indigenous outcomes as a result of procurement activities.






*Our procurement makes a measurable difference on outcomes such as reducing greenhouse gas (GHG) emissions and providing employment opportunities for equity groups. We have identified defined and measurable outcomes and are tracking KPIs to ensure that our efforts have a positive impact.*

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## What Success Looks Like?

The City of Winnipeg starts with some program strengths. Each year, the City assesses the maturity of its SP program against the 10 program elements. To date, the City has made some progress on six of the 10 program components (see table below). Progress is measured using moon chart ratings where an empty circle represents an element that has not yet started, and a full moon represents a fully developed element that has been refined with experience and practice. For example, when a policy is approved, this warrants a half circle (in progress) and when it's fully implemented with procedures and tools that are regularly used, then it becomes a full moon (fully developed). Or when performance indicators (KPI's) are identified, this warrants a quarter moon; when benchmarks are established, this warrants a ½ moon and when targets are in place and being monitored, this warrants a full moon.

PROGRAM ELEMENTS:	1. Action Plan & Strategy	2. Staffing & Resources	3. Policy	4. High Impact Procurement Opportunity (HIPO) List	5. Procurement Processes and Procedures	6. Tools	7. Training & Communications	8. Supplier Engagement	9. Measurement & Reporting	10. Leadership & Collaboration
Current										

 = not yet started or just beginning    
  = some progress made    
  = in progress    
  = fairly well developed    
  = well developed with solid experience

In the next three years, Winnipeg will work towards having all 10 program elements in place and well-developed (“full moons”), recognizing that it will take time to reach scale in all areas. At the end of three years, integrating sustainability considerations into procurements of all sizes will be second nature and the City will see improved performance and positive outcomes in all four pillars. The City will be buying more green products from suppliers with innovative green practices; and contracting more with Indigenous businesses, diverse businesses, and social enterprises. Procurements will reduce the City’s greenhouse gas (GHG) footprint and provide employment opportunities for equity groups.



## 4. Roles and Responsibilities

Materials Management will lead development and implementation of the SP program with strong support from the Office of Sustainability, client departments and subject matter experts in supporting departments. Delivering on sustainable procurement requires coordination and collaboration across departments and engagement with external stakeholders. The table below outlines a proposed division of program implementation responsibilities for key internal departments and external stakeholders that promotes collaboration and engagement.

Group	Responsibilities
<b>Materials Management</b> <i>Those who manage and facilitate the procurement process.</i>	<ul style="list-style-type: none"> <li>• Manage internal and external SP Working Groups and sub working groups.</li> <li>• Develop and maintain program elements such as SP tools, policy, related procedures.</li> <li>• Collaborate with client departments to identify sustainability opportunities/risks in procurements; assist with incorporating sustainability criteria into specifications.</li> <li>• Develop and deliver SP training and communications for employees.</li> <li>• Lead sustainable procurement program measurement and reporting.</li> </ul>
<b>Office of Sustainability</b> <i>Those responsible for policy work on Winnipeg’s Climate Action Plan</i>	<ul style="list-style-type: none"> <li>• Provide advice and direction on alignment with Climate Action Plan</li> <li>• Advise on climate and other environmental risks within the City’s supply chain.</li> <li>• Provide sustainability advice on development of environmental specifications</li> <li>• Incorporate SP into future climate action and climate resiliency planning.</li> </ul>
<b>Client departments</b> <i>Those who hold authority on buying decisions and end-users of products/services</i>	<ul style="list-style-type: none"> <li>• Identify sustainability opportunities/risks within upcoming procurements.</li> <li>• Collaborate with Materials Management to incorporate sustainability into specifications and assign appropriate weighting to sustainability evaluation criteria.</li> <li>• Contribute data and information for reporting and other communications.</li> <li>• Manage suppliers to ensure delivery of sustainability outcomes specified in contracts.</li> </ul>
<b>Supporting departments</b> <i>Subject matter experts with knowledge, expertise, and shared interest in ensuring SP supports City priorities.</i>	<ul style="list-style-type: none"> <li>• Provide expertise and advice for the development of sustainability requirements within solicitations and participate on evaluation teams.</li> <li>• Provide expertise to enhance creation and delivery of the SP program as follows:               <ul style="list-style-type: none"> <li>• <b>Assets and Project Management:</b> advise on Universal Design Policy opportunities.</li> <li>• <b>Communications:</b> advise on the Training &amp; Communications Plan; support delivery tactics; and help align with branding and other communications initiatives.</li> </ul> </li> </ul>

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Group	Responsibilities
	<ul style="list-style-type: none"> <li>• <b>Community Services:</b> advise on Poverty Reduction Strategy, Newcomers Welcome and Inclusion Strategy, and department opportunities.</li> <li>• <b>Economic Development Office:</b> advise on Indigenous procurement opportunities and partnerships.</li> <li>• <b>Equity Office:</b> advise on link to Equity Diversity and Inclusion Policy and Strategy.</li> <li>• <b>Indigenous Relations Division:</b> advise on ways to support Reconciliation.</li> <li>• <b>Planning Property and Development:</b> advise on links to <i>OurWinnipeg 2045</i>.</li> <li>• <b>Public Engagement:</b> advise on external stakeholder engagement.</li> <li>• <b>Strategic Planning:</b> advise on alignment with City Strategic Plans and Policies.</li> </ul>
<p><b>Internal SP Working Group</b> <i>Representatives from Materials Management, client departments and supporting departments</i></p>	<ul style="list-style-type: none"> <li>• Meet regularly to review progress towards program development goals (@4-6 times/year).</li> <li>• Advise on creation of all program elements (e.g., policy, tools, procedures, etc.)</li> <li>• Discuss successes and challenges encountered and adapt program development as needed.</li> <li>• Identify upcoming procurement opportunities that have sustainability opportunities/risks.</li> <li>• Support communication and engagement within and across departments.</li> </ul>
<p><b>Suppliers</b> <i>Businesses and entities responsible for delivering sustainable goods and services</i></p>	<ul style="list-style-type: none"> <li>• Deliver sustainable goods and services</li> <li>• Offer innovative solutions to sustainability challenges</li> <li>• Provide data and information for sustainable procurement reporting and other communications (e.g., Success stories)</li> </ul>
<p><b>External SP Working Group</b> <i>Representatives of external stakeholders engaged to help implement SP.</i></p>	<ul style="list-style-type: none"> <li>• Advise on the implementation of the Social Procurement Framework (SPF)</li> <li>• Provide perspectives and serve as an information sharing link between community, industry, and Indigenous stakeholders and Rightsholders and the Public Service</li> <li>• Contribute to the development of policy, tools, related procedures, social value requirements, evaluation criteria, and measurement KPI's and targets.</li> </ul>
<p><b>External SP Sub working Groups</b></p>	<ul style="list-style-type: none"> <li>• The City intends to create sub working groups to help implement the SPF; proposed topics include, social enterprise, Indigenous, and construction.</li> <li>• The focus, composition, and responsibilities of these groups will be determined pending a review of the external SP stakeholder engagement process.</li> </ul>

## 5. Year 1 Implementation Actions (2022)

The SPAP has three goals: G1 Program; G2 Activity; and G3 Impact. The implementation actions are categorized using the Best Practice program elements (G1) as building a total program will ultimately enable the City to activate in any pillar depending on the type of procurement.

To date, Winnipeg’s Sustainable Procurement Program has focused mostly on environmental and ethical opportunities and risks such as reducing waste and greenhouse gas (GHG) emissions and ensuring fair working conditions in global supply chains. Year 1 will focus on program development that enables the City to add social and Indigenous outcomes into procurement activities and address climate action opportunities.

### Year 1 G3 (Impact) Priorities



Environmental 	Ethical 	Social 	Indigenous 
Focus on reducing greenhouse gas (GHG) emissions and partnering with suppliers to take climate action.	Maintain current level of activity (unfair labour clause addressing no child or /forced labour).	Achieve positive outcomes identified in the <i>Social Procurement Framework</i> including: <ul style="list-style-type: none"> <li>• Provide opportunities for Indigenous businesses, diverse businesses, and social enterprises.</li> <li>• Provide employment and skills development for Indigenous peoples, equity groups and marginalized people.</li> </ul>	




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The following table identifies the actions required in Year 1 to improve performance in most of the 10 program elements with emphasis on implementing the *Social Procurement Framework* and addressing Winnipeg’s *Climate Action Plan* priorities. Year 1 will set Winnipeg up for success in 2022 and beyond across all three program goals.

Winnipeg is not starting from zero and has already made progress on several program elements. The left most column indicates current maturity ratings. Task implementation and management will be led by Materials Management.

Current State	Program Element	Year 1 Implementation Actions (2022)
○	<b>1. Strategy &amp; Action Plan</b> <i>Outcome: employees have a reference document to guide program development.</i>	<ul style="list-style-type: none"> <li>• Maturity rating will be a ¾ moon (fairly well developed) if Plan and <i>Social Procurement Framework</i> are adopted.</li> <li>• Adopt the Social Procurement Framework</li> <li>• Adopt the Sustainable Procurement Action Plan</li> <li>• Review and update Year 2 &amp; 3 Actions based on Year 1 progress and experience.</li> </ul>
◐	<b>2. Staffing &amp; Resources</b> <i>Outcome: adequate resourcing is in place to build program and achieve positive outcomes.</i>	<ul style="list-style-type: none"> <li>• Hire staff / consultants to support implementation</li> <li>• Expand the internal Sustainable Procurement Working Group to include employees responsible for City priorities related to the social and Indigenous pillars.</li> <li>• Convene working group regularly to provide advice and guidance on program activities, tools, procedures, procurement opportunities and measurement (see Section 3).</li> <li>• Confirm specific roles for key supporting departments in implementation.</li> </ul>
◑	<b>3. Policy</b> <i>Outcome: adoption of an Appendix that provides clear guidance on how to incorporate sustainability into procurements.</i>	<ul style="list-style-type: none"> <li>• Develop SP policy guidance in the form of Appendix 12 of the Administrative Standard (FM-002) which supplements the Materials Management Policy.</li> <li>• Consult with internal and external stakeholders to ensure alignment with corporate operations, strategies and capacities; and community, industry and Indigenous experience and expectations.</li> <li>• Follow appropriate corporate process for gaining approval of the Appendix.</li> </ul>

Current State	Program Element	Year 1 Implementation Actions (2022)
	<p><b>4. High Impact Procurement Opportunities (HIPO)</b></p> <p><i>Outcome: a top ten list of procurements brings focus to Year 1 efforts; procurements serve as pilots for sustainability requirements and tools focussing on social procurement and climate action.</i></p>	<ul style="list-style-type: none"> <li>• Work with client departments to review HIPO list and identify 10 to 15 upcoming procurements with high sustainability opportunities or risks including:               <ul style="list-style-type: none"> <li>○ Contracts with potential to be set aside for social enterprise or Indigenous businesses</li> <li>○ Projects with social value opportunities</li> <li>○ Large-scale infrastructure project(s) to pilot a community benefit agreement process</li> <li>○ Projects with potential to reduce greenhouse gas (GHG) emissions</li> </ul> </li> <li>• Seek input from the external working group on potential HIPO list</li> <li>• Engage with contract owners &amp; internal/external working groups to develop sustainability requirements &amp; evaluation framework for test candidates and incorporate into bids</li> <li>• Pilot processes for data collection and measurement</li> <li>• Track contract-level SP process and outcome indicators</li> <li>• Develop and refine a process to incorporate community benefits requirements into large-scale infrastructure projects in consultation with internal departments and the External Working group.</li> </ul>
	<p><b>5. Procurement Procedures</b></p> <p><i>Outcome: clear instructions on when and how to incorporate sustainability into the procurement process.</i></p>	<ul style="list-style-type: none"> <li>• Draft guidelines on how sustainability will be addressed for different threshold values of procurements (assessing opportunities/risk; assembling bid specifications; evaluation criteria and process, weighting etc.) and how tools will be used at various stages</li> <li>• Review and revise guidelines with input from client departments and external working group</li> <li>• Develop simple guidelines to help low-value purchasers consider sustainability opportunities and risks including buying from Indigenous businesses, diverse businesses, and social enterprises.               <ul style="list-style-type: none"> <li>○ Refine the guidelines with input from internal and external stakeholders.</li> <li>○ Develop a training module (e.g., CCSP P-Card training) and conduct training.</li> </ul> </li> </ul>

Current State	Program Element	Year 1 Implementation Actions (2022)
	<p><b>6. Tools</b>  <i>Outcome: employees can collect and evaluate sustainability information during the procurement process and ensure that procurements achieve maximum social and environmental value.</i></p>	<ul style="list-style-type: none"> <li>• Develop a <b>sustainability opportunities assessment tool</b> to identify procurements with potential to deliver social value and address climate risks and other environmental priorities. Refine based in client department and external working group feedback.</li> <li>• Train procurement staff and client departments on use of the tool and pilot with HIPO list</li> <li>• Develop a <b>list of social enterprises, Indigenous businesses, and diverse businesses</b> that can do business with the City in consultation with the internal/external working groups and other local community organizations.</li> <li>• Develop a <b>social value menu</b> to be used by employees to incorporate social value requirements into solicitations. Revise and refine with input from client departments, and the internal and external working groups</li> <li>• Develop an <b>evaluation guide</b> to evaluate social value responses and pilot on HIPO's.</li> <li>• Support Contract Administrators/Project Managers to use the menu to insert appropriate and relevant social value requirements into HIPO list items.</li> </ul>
	<p><b>7. Training &amp; Communications</b>  <i>Outcome: employees begin to understand SP through HIPO stories and there is a plan in place for Year 2.</i></p>	<ul style="list-style-type: none"> <li>• Turn HIPOs into success stories (e.g., multifunction devices) and share through internal communication channels</li> <li>• Develop a Training &amp; Communications Plan including key messages, audiences, channels, and a timeline.</li> </ul>
	<p><b>8. Measurement &amp; Reporting</b>  <i>Outcome: SP activity and impact KPI's have been identified and the City has begun to benchmark baseline performance.</i></p>	<ul style="list-style-type: none"> <li>• Identify and refine potential evaluation measures and KPI's to track SP progress (see Section 6) with input from procurement staff, client departments and external stakeholders</li> <li>• Begin to develop processes for collecting data, tracking KPI's, and reporting on progress (e.g., a post-procurement tracking form that includes SP outcomes)</li> <li>• Benchmark baseline performance (e.g., spend with diverse suppliers)</li> <li>• Ensure sustainability outcomes are embedded in contracts for test HIPOs and data is monitored.</li> <li>• Submit annual progress report to Senior Management Team &amp; Council</li> </ul>

Current State	Program Element	Year 1 Implementation Actions (2022)
○	<b>9. Supplier &amp; Stakeholder Engagement</b> <i>Outcome: educate priority businesses on City processes and needs.</i>	<ul style="list-style-type: none"> <li>• Integrate sustainable procurement messaging into <i>Selling to the City</i> webinars</li> <li>• Deliver <i>Selling to the City</i> sessions focussed on Indigenous businesses, diverse businesses, and social enterprises.</li> </ul>
◐	<b>10. Leadership &amp; Collaboration</b> <i>Outcome: strong connections with peer organizations</i>	<ul style="list-style-type: none"> <li>• Participate in the Canadian Collaboration for Sustainable Procurement (CCSP) webinars and working groups; sit on Steering Committee.</li> <li>• Participate in Sustainable Procurement in Manitoba, a network of public sector organizations in Manitoba promoting sustainable procurement.</li> <li>• Review and revise the City’s SP stakeholder engagement process and working group (including sub working group) structure and composition to ensure input from a wider range of sectors and stakeholders from the community, social enterprises, and private sector.</li> <li>• Engage appropriate external stakeholders to ensure program development and implementation reflect Indigenous, community, and industry expertise and experience.</li> </ul>

## 6. Year 2 and 3 Implementation Actions (2023 and 2024)

The following table outlines recommended actions for Years 2 and 3 to achieve the program goals and advance toward the long-term vision. The actions are categorized using the best practice program framework. They will need to be reviewed and adapted as the program evolves and matures. Year 3 is not the end of program implementation and many of these actions should be carried forward into the next 3-year plan.

Years 2 and 3 will continue to focus on the social and Indigenous pillars and climate action; however more energy and time will be directed towards addressing additional opportunities within the ethical and environmental pillars so that procurements are addressing the full range of opportunities and risks.

Program Element	Implementation Actions	
	Year 2	Year 3
<b>1. Strategy &amp; Action Plan</b>	<ul style="list-style-type: none"> <li>• Monitor progress made on key program KPI's</li> <li>• Review Year 3 implementation actions and refine as needed</li> </ul>	<ul style="list-style-type: none"> <li>• Review Action Plan and update for the next 3 years based on progress and lessons learned.</li> </ul>
<b>2. Staffing &amp; Resources</b>	<ul style="list-style-type: none"> <li>• Maintain budget and dedicated staffing</li> <li>• Consider embedding SP accountabilities in job descriptions</li> </ul>	<ul style="list-style-type: none"> <li>• Review budget/staff resourcing needs based on progress and plan for next phase of development</li> <li>• Secure staff/budget for next 3-year plan.</li> </ul>
<b>3. Policy</b>	<ul style="list-style-type: none"> <li>• Monitor progress and compliance with Policy</li> <li>• Develop a Supplier Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a Plan for implementing a Living Wage Policy for contracted and subcontracted services</li> </ul>
<b>4. High Impact Procurement Opportunities (HIPO) List</b>	<ul style="list-style-type: none"> <li>• Create and promote HIPO 'success stories'</li> <li>• Perform a 'hot spot' analysis to identify contracts with other sustainability opportunities and risk (e.g., waste reduction).</li> <li>• Review and update HIPO list to reflect expanded priorities</li> </ul>	<ul style="list-style-type: none"> <li>• Create and promote HIPO 'success stories'</li> <li>• Perform a 'hot spot' analysis on other key issues (e.g., toxicity, biodiversity, water)</li> <li>• Review and update HIPO list</li> </ul>



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Program Element	Implementation Actions	
	Year 2	Year 3
<b>5. Procurement Procedures</b>	<ul style="list-style-type: none"> <li>• Monitor and update procedures as needed</li> <li>• Consider applying a minimum weighting for sustainability criteria in solicitations</li> <li>• Increase sustainability weighting on a case-by-case basis in bid evaluation framework</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and update procedures as needed</li> <li>• Develop and implement new procedures to support roll-out of Supplier Code of Conduct and/or Living Wage</li> <li>• Integrate sustainability commitments (relevant to a particular procurement) in standard contract management practices.</li> </ul>
<b>6. Tools</b>	<ul style="list-style-type: none"> <li>• Develop and update tools, as needed.</li> <li>• Ensure tools are used consistently through monitoring program uptake and training</li> <li>• Developing new tools to support specific topics (e.g., GHG reductions, circular economy) or processes (Total Cost of Ownership).</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to update tools as needed</li> <li>• Create standard sustainability specifications for common product/service categories (for example print materials, building deconstruction).</li> </ul>
<b>7. Training &amp; Communications</b>	<ul style="list-style-type: none"> <li>• Implement the Training &amp; Communications Plan ensuring that appropriate audiences receive the appropriate degree of communications vs engagement vs training depending on their role within the SP Program</li> <li>• Track training and communication KPI's</li> <li>• Recognize champions and share success stories in corporate communications</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct annual refresher training for primary audiences</li> <li>• Recognize champions and share success stories in corporate communications</li> <li>• Update Plan with new tools, targets, and priorities</li> <li>• Track training and engagement KPI's</li> </ul>

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Program Element	Implementation Actions	
	Year 2	Year 3
<b>8. Supplier Engagement</b>	<ul style="list-style-type: none"> <li>• Include sustainability performance measures in ongoing contract management conversations and performance reviews</li> <li>• Engage strategic suppliers on:               <ul style="list-style-type: none"> <li>○ Proposed social value and GHG reductions requirements</li> <li>○ Ability to report SP outcomes measures (data collection and reporting)</li> <li>○ Potential pilots</li> </ul> </li> <li>• Hold reverse trade fair to introduce Indigenous businesses, diverse businesses, and social enterprises to buyers.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistently include sustainability performance measures in contract management and supplier performance reviews</li> <li>• Seek collaborative initiatives with suppliers to collect data, promote behavior change and better product/service use</li> <li>• Pilot a sustainability-based Vendor Performance Management (VPM) initiative with strategic suppliers</li> <li>• Host engagement sessions to inform suppliers about SP approach and identify opportunities to work together on joint priorities.</li> </ul>
<b>9. Measurement &amp; Reporting</b>	<ul style="list-style-type: none"> <li>• Identify preliminary targets based on KPIs</li> <li>• Enhance processes for managing and collecting data internally and via suppliers</li> <li>• Ensure contract management procedures incorporate and monitor sustainability KPIs</li> <li>• Submit annual progress report to Senior Management Team &amp; Council</li> </ul>	<ul style="list-style-type: none"> <li>• Review and revise targets for continuous improvement</li> <li>• Set new targets as program matures</li> <li>• Submit annual progress report to Senior Management Team &amp; Council</li> </ul>
<b>10. Leadership &amp; Collaboration</b>	<ul style="list-style-type: none"> <li>• Participate in CCSP, Sustainable Procurement in Manitoba, industry conferences, and other collaborative industry sustainable procurement initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to engage in leadership and collaboration opportunities leading to long-term peer recognition and improvement</li> </ul>

## 7. Monitoring and Evaluation

Program maturity and effectiveness will be measured using three types of measures, each corresponding to a program goal:






1. **Program Development (G1) measures** assess the maturity of the 10 program components and identify weak points
2. **Program Activity (G2) measures** evaluate progress on incorporating sustainability into procurement processes
3. **Program Impact (G3) measures** evaluate the outcomes of the SP program in relation to target issues from the four pillars

The measures presented in this section are a starting point and will need to be further reviewed and assessed in Year 1 in partnership with internal and external stakeholders. Particularly for ‘activity’ and ‘impact’ measures, the City will first need to identify which KPI’s to use, followed by what data sources and collection processes are realistically available. Then the City will be in a position to determine a baseline and ultimately set targets for moving forward. The process of target setting should be done in partnership with internal and external stakeholders.

### Program Development Measures (G1)

The moon chart ratings framework will be used to monitor the development of the 10 program elements. Progress will be reviewed annually to confirm whether each milestone has been achieved. This method of evaluation is also helpful when communicating with stakeholders, whether internal or external, by providing a simple visual aid to demonstrate progress.

#### Moon Chart Ratings Framework

 = not yet started or just beginning	 = some progress made	 = in progress	 = fairly well developed	 = well developed with solid experience
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## Program Activity Measures (G2)

Process indicators monitor the SP program’s processes by measuring program activities taking place. The table offers a menu of possible process KPI’s to consider.

GOAL	KEY PERFORMANCE INDICATORS (KPI’s)	TARGETS
ACTIVITY	<ul style="list-style-type: none"> <li>• #, \$, % of bids that included sustainability (environmental, ethical, social, Indigenous) specifications</li> <li>• #, \$, % of contracts with sustainability outcomes written into the contract</li> <li>• Average weighting allocated to sustainability in RFPs</li> <li>• Number of solicitations that included at least one diverse supplier, Indigenous supplier, or social enterprise on the bidders list</li> <li>• Percent of contracts with mandated targets for GHG emission reductions</li> <li>• #, % of employees who attended training on sustainable procurement</li> </ul>	TBD

## Program Outcome Measures (G3)

Outcome indicators monitor the impact of the program in terms of positive environmental, ethical, social, and Indigenous outcomes. The table offers a menu of possible outcome KPI's. These measures will largely be dependant on what data can be collected from suppliers. It will be important that these measures reflect the four pillars of the program.

GOAL	KEY PERFORMANCE INDICATORS (KPI's)	TARGETS
<b>IMPACT</b>	<p>Social / Indigenous</p> <ul style="list-style-type: none"> <li>• % of spend with Indigenous / diverse businesses, and social enterprises</li> <li>• #, \$ value of contracts awarded to Indigenous / diverse businesses and social enterprises</li> <li>• # of equity group members who received skills training on city projects</li> </ul> <p>Environmental</p> <ul style="list-style-type: none"> <li>• % of spend on 3<sup>rd</sup> party eco-certified products</li> <li>• GHG emission reductions (tCO2 equivalent)</li> <li>• Waste reduction or avoidance (kg)</li> <li>• # or % of suppliers with GHG reduction plans</li> </ul>	TBD

## Appendix B: Glossary of Terms / Definitions

**“Best value”** seeks to meet all requirements around cost, quality and trade agreements, while also seeking to advance positive sustainability impacts and reduce potential negative impacts or mitigate potential risks.

**“Community Benefit Agreement”** is a specific mechanism or contractual arrangement used in the procurement of large-scale infrastructure projects to ensure the project delivers social value to the local community.

**“Diverse business”** is a business that is at least 51 per cent owned, managed, and controlled by an equity group.

**“Equity groups”** are groups that have historically been denied equal access to employment, education, and other opportunities and includes but is not limited to: racialized peoples, Indigenous peoples; newcomers (less than 5 years in Canada); persons with disabilities; women; veterans, and 2SLGBTQ+ (Two-spirit, Lesbian, Gay, Bisexual, Trans, Queer, plus) persons.

**“HIPO” or High Impact Procurement Opportunity** is a procurement with high volume, high spend and / or strategic importance for sustainability to be prioritized for sustainable procurement.

**“Indigenous business”** is a business that is 51 per cent owned, managed, and controlled by one or more Indigenous Persons of Canada (member of a First Nation, the Metis Nation, or Inuit communities).

**“Indigenous Rightsholders”** refers to the Métis Nation, First Nations, and Inuit Rightsholders. Rightsholders in this context refers to both Treaty and Aboriginal rights, which were given constitutional recognition in Section 35 (1) of The Constitution Act, 1982. Indigenous Rights include a range of cultural, social, political, and economic rights held by Indigenous Peoples, including the right to establish treaties; and include the right to land to practice the right to fish, to hunt, and to practice one’s own culture.

**“Social Enterprise”** refers to a business that seeks to achieve a defined social, cultural, or environmental goal and the majority of net profits are reinvested in the social, cultural, or environmental goal. It often involves a mandate to hire, train and provide wrap-around supports for people facing multiple barriers to employment.

**“Social procurement”** is the practice of leveraging procurement to generate added social value above and beyond the value of the goods or services themselves.



## 2022-2024 Sustainable Procurement Action Plan

**“Sustainable procurement”** is the practice of embedding relevant sustainability considerations into the selection of goods and services, along with traditional factors such as price, quality, service, and other functional specifications. Sustainable procurement means getting best value for an organization over the total life of a good or service, while seeking opportunities that address environmental, ethical, social, and Indigenous opportunities and risks.

**“Workforce Development”** refers to providing employment, apprenticeships and training opportunities for people experiencing economic disadvantage, including those from equity groups. This includes recognized apprenticeship training programs that provide candidates with access to the skilled trades.