



Introduction to the United Nations Sustainable Procurement Indicators

Background

On a yearly basis, the UN system procures close to 20 billion USD. This means that UN agencies have a real opportunity to influence markets towards more sustainable practices for the environment, the people and local economies, while *improving the quality of products and services and ultimately optimizing costs* (based on the HLCM Procurement Network's definition of sustainable procurement, 2009).

In order to better measure and report on the extent to which sustainability considerations are being incorporated in the UN procurement processes, a *Sustainable Procurement (SP) Indicators Framework* was developed by the UN Sustainable Procurement working group of the HLCM Procurement Network. The framework was formally endorsed by the HLCM Procurement Network during its meeting in March 2019.

Integration of SP indicators in UNGM: How does it work?

Based on the SP Indicators framework, a new functionality has been added to UNGM - the global vendor registration and tender portal - to enable Procurement Officials to identify which sustainability considerations have been incorporated in tenders. Under the "Sustainability" tab, out of a set of 13 sustainable procurement indicators - 4 Environmental, 4 Social, 3 Economic and 2 Generic indicators - Procurement Officials can select relevant indicators that are included in their tender as requirements, evaluation criteria or contract clauses/KPIs. When selecting at least three SP indicators - one from each sustainability area (environment, society, economy) - the tender will be considered a "sustainable procurement tender", and the procurement notice will be highlighted with the SP icon. This supports the UN systems efforts to attract vendors interested in sustainable business opportunities and to communicate our commitment to making sustainability an essential requirement in our procurement.

A detailed description of the SP Indicators Framework and more guidance on how to use the new functionality, along with additional resources on sustainable procurement is available on the UNGM [Knowledge Centre](#).

Reporting

UN organizations using UNGM to publish their procurement notices cover approximately 98% of the total UN procurement volume. In 2019, over 16,000 tenders were published on UNGM.

The SP Indicators framework and its integration into UNGM allows the UN system to gather data on sustainable procurement and to report on SP in UN reporting schemes, such as the [Greening the Blue report](#) and the [Annual Statistical Report on UN procurement](#).

As such, the SP Indicators framework as a formal tracking and reporting system of UN sustainable procurement performance, enables the UN to **benchmark** and **monitor annual progress**, and to identify **SP trends and opportunities**. Meanwhile, it also serves as an additional opportunity to raise the level of awareness and understanding on SP across the UN system - particularly with vendors.

For more information on the Sustainable Procurement Indicators framework, please contact the co-chairs of the HLCM Procurement Network SP Working Group Isabella.Marras@un.org or nielsr@unops.org.



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The following is a list of the SP indicators included in the SP Indicators framework, along with details regarding what these indicators represent. In order for a tender to be identified with the Sustainable Procurement icon it must have at least one indicator in each of the three pillars: Environment, Society and Economy.

<i>Pillar</i>	<i>SP Indicator</i>	<i>Examples of tender requirements</i>
Environment 	1. Prevention of pollution to air, land and water	Environmental Management System, corporate environmental policy, waste management, policy on hazardous materials and chemicals
	2. Sustainable resource use	Eco-labels: circular design, energy-saving, recycling, bulk packaging
	3. Climate change mitigation and adaptation	Energy efficiency, renewable energy purchasing, greenhouse gas reporting, offsetting, clean transportation and logistics, resilient infrastructure
	4. Protection of the environment, biodiversity and restoration of natural habitats	Eco-labels: sustainable/organic agriculture, forestry, fishing
Society 	5. Human rights and labour issues	Universal Declaration of Human Rights, ILO's core conventions, freedom of association/collective bargaining, elimination of child/forced labour and discrimination at work, health and safety, fairly traded goods, inclusion of disadvantaged groups, accessibility considerations in design
	6. Inclusion of persons with disabilities	Requirements accessible for persons with disabilities, disability inclusive suppliers
	7. Gender equality and women's empowerment	Gender mainstreaming, reserved procurement for women-owned businesses
	8. Social health and well-being	Avoidance of hazardous chemicals, labelling of chemicals
Economy 	9. Whole life cycle cost	Total Cost of Ownership, Life Cycle Costing
	10. Local communities and SMEs	Reserved labour for local communities, local materials and services, local MSMEs
	11. Promoting sustainability throughout the supply chain	Extend sustainability requirements to tier 2 suppliers, identify and approve primary subcontractors
<i>The following two indicators only serve for informational purposes and do not factor towards the classification of a sustainable procurement tender</i>		
General 	11. Global compact	Considerations promoting vendors' participation in the UN Global Compact
	12. Suppliers' monitoring and auditing	Contract conditions/KPIs that stipulate verification of suppliers' environmental and social claims through "spot checks" and audit provisions