

SUSTAINABLE PROCUREMENT CHARTER NEWSLETTER



可持續採購約章 通訊



April 2019

Issue 2

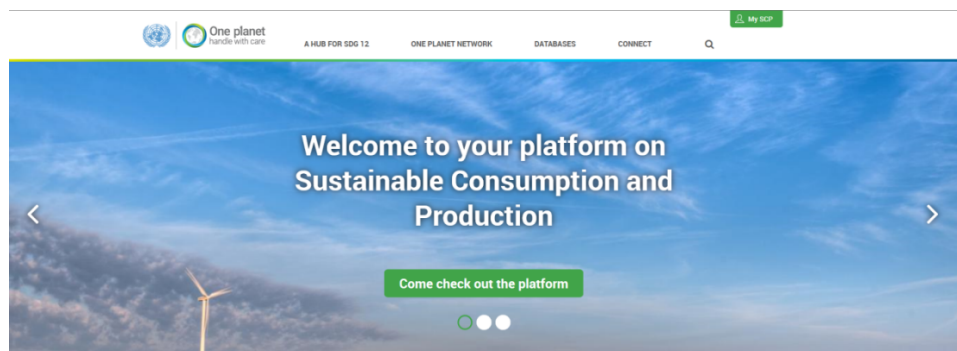
INTRODUCTION TO THE ONE PLANET NETWORK

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A global network for sustainable procurement

The United Nations (UN) was mandated by all 193 of its Member States to create a global movement for Sustainable Consumption and Production (SCP). The **One Planet network** was formed to implement Sustainable Development Goal 12: Responsible Consumption and Production (SDG 12). Sustainable Public Procurement is one of six key One Planet programs that are working to achieve SCP. Currently, there are 60 sustainable procurement initiatives available on the program's online portfolio.



The **Sustainable Procurement Charter** is one of the initiatives that has been reported as a contribution to the SDG 12. In order to have this contribution to SDG 12 best positioned for scalability and knowledge exchange, the Green Council will continue to report the progress of the Charter regularly to UN through the One Planet network.

More details of Sustainable Procurement Charter can be found online through the network's platform: <https://www.oneplanetnetwork.org/initiative/green-council-sustainable-procurement-charter>

SPC UPDATES

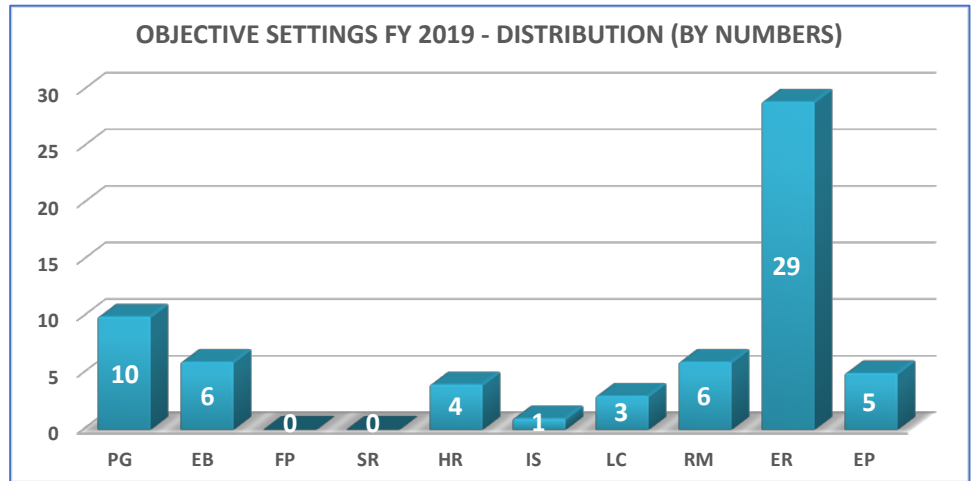
Objective setting results

An ongoing and continuous effort to improve the operations of sustainable procurement is a key focus of the Charter. Green Council believes that this "continuous effort" can drive a competitive advantage for organizations. As a first step, setting objectives is key to improvement. ISO20400 suggested that all objectives should be with SMART goals, i.e. specific, measurable, achievable, realistic and time bound.

Since last December, all Charter members are required to establish their objectives related to sustainable procurement for 2019 using the SMART framework.

With reference to the objectives established by our members, some of the typical examples are as follows:

- Incorporate sustainability into procurement policy or procedures
- Expand the purchase of green products e.g. environmental paper, biodegradable material, recycled products, low emission vehicles
- Set up system to monitor supply chain risks.
- Reducing consumption of resources e.g. copying paper, energy
- Set up life-cycle costing guidelines
- Assess suppliers based on environmental or social criteria
- Provide training to staff on sustainable procurement



PG	Ensure governance through establishment/improvement of procurement policy, procedures & control	16%
EB	Enhance ethical behavior of procurement practices and supply chain	9%
FP	Ensure full & fair competition and practices for all suppliers, including SME, diverse suppliers	0%
SR	Engage stakeholders, promote & respect long-term relationship	0%
HR	Respect human rights and law throughout supply chain	6%
IS	Encourage innovative solutions in supply chain	2%
LC	Consider social, environmental, life-cycle costs in procurement evaluation	5%
RM	Prioritize and manage supply chain risks	9%
ER	Protect environment & save resources	45%
EP	Enable people through training, learning, development and appraisal program	8%

Legend:



The objectives are grouped into 4 categories, namely Environmental, Social, Economic (the “Triple Bottom Line”), as well as Others (which includes governance, risk management, and innovation). According to the data above, most members are focusing on the environmental aspect (45%), whereas ensuring good governance (16%) was another big focus.

All objectives will be monitored half yearly.

Tour: Sustainability Gallery - HKBU

Hong Kong Baptist University (HKBU), one of the Founding Member of the Charter, has recently opened a knowledge center on sustainability, “Sustainability Gallery”. This gallery provides a learning platform for visitors to understand and test their knowledge in biological resources, organic agriculture and sustainable consumption. Within a 90-minute journey, you will take the challenge of assessment, through immersive multi-media such as 4D, AR, VR motion sensing, whether you are qualified to live in our planet without bringing adverse impacts to the environment.



Visiting the Sustainability Gallery is free-of-charge before August 2019.

Organizations who are interested to take the learning journey, please apply through their Facebook.

www.facebook.com/SGalleryIBA/

Current Founding Members:

- 1) Baguio Green Group Limited
- 2) The Bank of East Asia, Limited
- 3) Chung Tai Printing (China) Company Limited
- 4) CLP Power Hong Kong Limited
- 5) D&G Technology Holding Company Limited
- 6) HKT Limited
- 7) The Hong Kong and China Gas Company Limited
- 8) Hong Kong Baptist University
- 9) The Hong Kong Electric Co., Ltd
- 10) Kerry Properties Limited
- 11) MTR Corporation Limited
- 12) New World Development Company Limited
- 13) Ocean Park Corporation
- 14) PCCW Limited



Our SPC Founding Members visited the Sustainability Gallery of HKBU



Different interactive activities were explored. (Left: Touch panels explaining animal biodiversity; Right: short 4D movie)

OTHER UPDATES

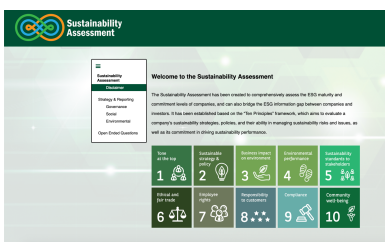
Sustainability Assessment initiative

More companies are now reporting their environmental social and governance (ESG) performance and impacts through the sustainability/ESG reports. However, some of these reports might not be robust, high quality, fully or fairly reflected the sustainability performance of the company. It will be time consuming and ineffective for investors to evaluate company sustainability performance. To bridge the gap, Green Council has launched the **Sustainability Assessment** - a new online assessment platform, technically advised by PwC.

The Sustainability Assessment is a comprehensive assessment which adopts a systematic approach to evaluate the maturity of companies' sustainability infrastructure, based on a set of ten principles with factors in relation to strategy and reporting, governance, social and environment. The sustainable management of supply chain is also one of the key aspects to be evaluated.

Companies will need to answer a series of questions (multiple choice, data input, open ended questions) and providing supporting documents for Green Council to verify. Follow-up interview may be necessary if supporting evidence provided is insufficient.

After the verification process, an "Assessment Result Report" will be given with overall grading. The assessment results will give companies a diagnostic view of their level of maturity of sustainability, which areas they perform well, and which



The online Sustainability Assessment

areas they may need improvements.

Any company who is interested about the assessment, please visit to the website below for further enquiries.

<https://www.greencouncil.org/sustainability/>

UPCOMING EVENT(S)

Current Established Members:

- 1) Allied Environmental Consultants Limited
- 2) Crown Gas Stoves (Holdings) Company Limited
- 3) Double Class Co., Ltd. (Sunlight Hygiene Products Ltd)
- 4) DSG Energy Limited
- 5) INAX Technology Limited
- 6) JCDecaux Pearl & Dean Ltd.
- 7) Lap Energy HK Ltd
- 8) Pro-Tech Technology (Asia) Ltd
- 9) Regal Hotel International Limited
- 10) Swire Properties Limited
- 11) The Dairy Farm Company Ltd

Benchmarking Survey

The Charter will start a benchmarking survey for comparing the procurement processes and practices of members to the suggested guidelines and/or best practices from the ISO20400:2017 Sustainable Procurement Guidance. Dimensions typically measured are governance, green procurement, risk management, supplier relationships, innovation, supplier diversity, supply chain monitoring etc.

Through benchmarking processes, members can learn how well they perform and, more importantly, how and where they should focus their resources for improving sustainability in procurement and supply chain management.

All Charter members will start to submit the survey through an online platform in **April**. Other interested organizations may contact Green Council to join the survey.

Upcoming all members meeting

Green Council will host an all members meeting in June. Date and Venue TBD. The results of the Benchmarking Survey will be announced in the meeting.

Hong Kong International Lighting Fair - Innobuild

Time: 6-9 April 2019 (Saturday-Tuesday)

Venue: Hong Kong Convention and Exhibition Centre

Green Products: Building materials & technology, LED lightings, Solar Lights

HOW TO JOIN THE CHARTER

If you are interested in joining the Sustainable Procurement Charter, please contact Green Council Limited at:

Tel: +852 2810-1122 or

Email: info@greencouncil.com

You can also obtain more detailed information at

https://www.greencouncil.org/en/page.php?sub_id=43

