



Available online at www.sciencedirect.com



Procedia Engineering

Procedia Engineering 180 (2017) 1603 - 1611

www.elsevier.com/locate/procedia

### International High- Performance Built Environment Conference – A Sustainable Built Environment Conference 2016 Series (SBE16), iHBE 2016

## Supply chain risk to reward: Responsible procurement and the role of ecolabels

Kate Harris<sup>a</sup>, Shaila Divakarla<sup>a,\*</sup>

<sup>a</sup> Good Environmental Choice Australia, 15 Belvoir street, Surry Hills, NSW 2010, Australia

#### Abstract

Disclosure fatigue from increasing environmental and sustainability reporting, combined with the complexity of the procurement process with frequent challenges in availability, accessibility and accountability has resulted in fragmentation of all sectors including the built environment. This paper highlights key expected features of ISO 20400 on Sustainable Procurement and its relevancy for the built environment particularly in relation to the procurement process. The role of sustainability claims and labels, including declarations and certifications, and associated verification methods are discussed in regard to fitness for purpose, environmental, health, social and ethical considerations. Finally, future directions will be identified.

© 2017 Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (http://creativecommons.org/licenses/by-nc-nd/4.0/).

Peer-review under responsibility of the organizing committee iHBE 2016

Keywords: Built environment; sustainable procurement; ecolabel; sustainable supply chain; ISO 20400

#### 1. Introduction

The need to de risk the built environment supply chain is getting increasingly difficult with free trade, increased number of players in the market and varying quality of overseas manufacturing. What you buy, how you buy it and who you buy it from is changing. Environmental and social concerns, such as modern slavery, carbon footprint, local sourcing or supplier diversity are now firmly on the business agenda. As a result, disclosure fatigue from ever increasing environmental and sustainability reporting, combined with the complexity of navigating the procurement process with frequent challenges in availability, accessibility and accountability has often led to fragmented

\* Corresponding author. Tel.: +61 2 8399 3112. *E-mail address:* shaila@geca.org.au approaches in all sectors including the built environment. "Sustainable purchasing", "responsible purchasing/sourcing", "green purchasing", "ethical procurement" and "supply chain sustainability" are some of the myriad titles of such initiatives.

The question of credibility has also been highlighted with organisations previously identified as trusted suppliers, being shown to manipulate and misrepresent data in order to be seen as a sustainable best practice performer. The Volkswagen company has provided a global example of what not to do and the consequences on brand and trust to a whole product brand. As a consequence, other organisations at executive level are ensuring that their own internal, external procurement and whole supply chain solutions are one of integrity and assured by third party, independent providers.

At such a time the introduction of yet another standard on the scene to add to the confusion would seem unwarranted in the least, if not unwelcome. However, the upcoming international standard (ISO 20400) on sustainable procurement, due for release in early 2017, is very timely as it aims to reconcile and address these issues. It provides a unified approach to integrating sustainability into the procurement process making its guidance suitable to any organisation, irrespective of size, sector and geographical location in the world. The standard aims to standardize guidelines and principles for all stakeholders working with internal and external purchasing processes – including contractors, suppliers, buyers, and local authorities – as part of an effort to demonstrate good practices for sustainable purchasing. The development of this first international guidance standard on sustainable procurement shows that this is a global movement. Intended benefits of integrating the guidance provided in the standard into the purchasing process include [1]:

- Increase the value of these essential emerging management practices
- Help differentiate between the programmes that are genuine efforts to tackle environmental, human rights or corruption issues within the supply chain, and the programmes that are just scratching the surface and can be considered mere "window dressing"
- Encourage other organizations to launch similar programmes by benefitting right away from the experience of early adopters and subject matter experts

With a dearth of regulations on the products front in the building industry, the emergence of these initiatives is most welcome for triggering a much needed change in this area.

This paper highlights key features of the draft standard ISO 20400 on sustainable procurement and its relevancy for the built environment with focus particularly on the area of identifying and verifying sustainability requirements in the procurement process. The role of sustainability claims and labels including declarations and certifications as well as associated verification methods are discussed in the context of supply chain risk in regard to fitness for purpose, environmental, health social and ethical considerations. A close examination of the various attributes underlying different types of sustainability labels is undertaken to cut through the jungle of confusion and gain greater clarity in evaluating their suitability for a particular situation before making any decisions on their selection, as they can vary greatly. The importance of rigour, on-site auditing and auditing oversight in relation to credibility of labels is also discussed. Continuing on this topic, a detailed understanding of ecolabels as a legitimate tool in simplifying and minimising the risk in supply chain is provided. Finally, trends and new directions in this important area are identified.

#### 2. ISO 20400 sustainable procurement guidance standard

The ISO 20400 Sustainable Procurement – Guidance standard (currently draft standard) goes beyond the traditional procurement concept of value (typically immediate) for money and benefits to the organization and defines sustainable procurement as "*Procurement that has the most positive environmental, social and economic impacts on a whole life basis*". 49 countries, representing 65% of the world population, 85% of the GDP and contributing to 73% of global CO2 emissions, have been involved in the development of the standard. A project committee has been set up to develop the standard and 20 countries, including Australia in an active role, are currently participating in its work (one of the authors is member of the Australian mirror committee on the standard and was also member of the Australian delegation in the recent ISO meeting on the standard held in Sydney in May

# دريافت فورى 🛶 متن كامل مقاله

- امکان دانلود نسخه تمام متن مقالات انگلیسی
  امکان دانلود نسخه ترجمه شده مقالات
  پذیرش سفارش ترجمه تخصصی
  امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
  امکان دانلود رایگان ۲ صفحه اول هر مقاله
  امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
  دانلود فوری مقاله پس از پرداخت آنلاین
  پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات
- ISIArticles مرجع مقالات تخصصی ایران