

SUSTAINABLE PROCUREMENT



Stay tuned for the up-to-date
version of this resource!

This document is undergoing fact checks and updates...
you will be able to access the new version in September 2025.

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Introduction

This handbook compiles rural and small community examples from our [sustainable procurement handbook section](#).

Canadian municipalities spend millions of dollars each year purchasing goods and services and investing in major capital projects. Sustainable procurement ensures that purchasing decisions consider broader environmental impacts and strengthen the social and economic resilience of local communities, rather than focusing solely on the traditional considerations of price, quality and ability to meet technical requirements.

The [BC Social Procurement Initiative](#) (BCSPI) describes this as buying with purpose; leveraging purchasing decisions to simultaneously address the needs of the community. As outlined by [BCSPI](#), there is no evidence that sustainable procurement costs more, particularly when the social and environmental benefits are taken into account.

Sustainable procurement usually considers some or all the following factors:

- Environmental / Green – bidder/supplier/product track record on greenhouse gas (GHG) emission reductions, energy / water use, waste management, toxicity etc.
- Ethical – suppliers and subcontractors pay liveable wages and have policies that prevent employment discrimination.
- Social – project or purchase will support local suppliers, create employment opportunities for people experiencing barriers and deliver social value to the community through hiring non-profits, social enterprises, diverse suppliers.
- Indigenous – supports reconciliation through contracting Indigenous businesses and increasing skill development / jobs for the Indigenous community.

Tendering processes or internal guidelines for each purchase or project can be tailored so that only relevant factors are included in bid scoring or purchase decisions and trade agreement requirements are met. It is possible to both seek sustainable and social outcomes and meet trade agreement requirements. Moreover, trade

agreements have thresholds and exemptions, allowing flexibility for how lower value projects are tendered.

Check out our: [Sustainable Procurement Fast Facts](#)

Key steps to implementing sustainable procurement include:

- Establishing a vision that links sustainable procurement to achievement of the municipality's Master Plan, Climate Plan, or other social planning and economic development goals.
- Ensuring adequate staff resources are in place. Consider hiring a consultant or a Sustainable Procurement Coordinator; make sustainable procurement part of an existing staff person's responsibilities; or create a cross-departmental working group to implement sustainable procurement.
- Putting policies in place to guide how purchasing decisions are made. However, it is not enough to just have a policy. Staffing and training resources also need to be made available to put the policy into action.
- Training staff so everyone understands the power of sustainable procurement to create community benefit.
- Piloting some initial sustainable procurement projects to demonstrate success in the short term and build buy-in. The [Canadian Collaboration for Sustainable Procurement \(CCSP\)](#) also suggests developing a High Impact Procurement Opportunity (HIPO) list that includes high volume, high spend or high visibility projects. The HIPO list can be used to prioritize potential sustainable procurement opportunities as the policy is implemented.
- Create tools for staff to use in identifying relevant sustainability considerations and in scoring bids (e.g. scoring spreadsheets; guidelines) and train people in their use. For sustainability criteria to be effective, bid evaluators need to know how to apply them when scoring proposals.
- Develop a measurement and tracking system to report on the impact of sustainable purchases as it relates to your objectives. This can be used to reinforce buy-in to sustainable procurement by demonstrating its impact. Develop a few key performance indicators early in the sustainable procurement process to ensure that wins are documented.
- Engage suppliers, non-profits and small and medium sized businesses to build their capacity to bid on municipal projects (e.g. How to do business with the



City events; website materials that explain the sustainable procurement process - see the City of Calgary's website content about their [Benefit Driven Procurement process](#)) or BCSP's [Vendor Outreach Guide](#) and [Vendor Information sheet](#).

These steps are not linear - some municipalities start with creating a policy; others pilot a few sustainable procurement projects to build momentum while developing the policy. The best strategy for your municipality will depend on Council's objectives, whether there are already senior leadership champions and what level of resourcing is available.

Some words of advice from other municipalities:

"The most important thing is just to start. Put something in place and see what you learn"

"This is the future. Sustainable procurement is a growing trend in municipal government. The sooner you start, the better prepared the municipality will be and the less catch-up you will need to do"



Sustainable Procurement Initiatives

Climate Caucus has ranked the following initiatives from beginner to expert, based on Complexity to implement, Staff time & expertise, and Political capital. Please note, these rankings are our own best judgements.

-  Green Square = Beginner
-  Blue Square = Intermediate
-  Black Diamond = Advanced
-  Double Black Diamond = Expert

Enact a sustainable procurement policy for your municipality

The basics:

- Develop and implement a sustainable procurement policy for your municipality.
- Use examples from elsewhere as a starting place to avoid spending more time on planning than enacting.
- Consider including all aspects of sustainable procurement (ie. environmental, ethical, social, Indigenous) in one policy, rather than creating separate policies for each.
- Ensure there are measurement systems in place for the key metrics right from the start. Examples: % of procurements that address sustainability criteria; Number of diverse suppliers that bid on contracts and number that were successful; % reduction in packaging waste; \$ value of community benefit unlocked by choosing a more sustainable bid; etc.
- Pilot some initial procurements using the new policy. Adjust your implementation plan based on the results.
- Consider strengthening the policy over time - starting with a policy that generally encourages sustainable procurement and moving toward minimum % weightings for sustainability criteria where appropriate



Examples:

- [Coastal Communities Sustainable Procurement Initiative 2019-21 report](#) showing how small communities can work together. This project has now expanded and become BCSPI.
- [Village of Cumberland BC](#) - population 3,700. First municipality in BC to enact a [social procurement policy](#) and framework
- Town of Qualicum Beach BC [social procurement policy](#) - population 9,000
- CCSP 10 step Best Practice Program Framework found within the [CCSP Annual report](#)

Case study: [Changing the Procurement Landscape](#) - BCSPI Case Study on Sunshine Coast Regional District, BC - population 32,000

This case study by BCSPI demonstrates how the Sunshine Coast has made a shift from being price-focused to including more environmental and social aspects in their tendering processes.

When looking for landscaping services at 18 different locations throughout the regional district, the request for proposal included sections focused on community growth, how to protect our environment and how to make sure sites are clean, safe and comfortable for community use. Respondents were encouraged to identify how they might contribute to the Regional District's social and environmental goals, such as:

- Contribute to a stronger local economy
- Promote living wage and fair employment practices
- Increase training and apprenticeship opportunities
- The environmental cost of ownership
- Use of energy-efficient products
- Minimal or environmentally friendly use of packing materials
- Reduce hazardous materials (toxins and ozone-depleting substances).

A 'Firesmart' requirement was also included within the RFP. Requirements for



debris to be disposed of in an environmentally-friendly manner and the use of environmentally-sustainable options for fertilizing and liming were also included as well as an invitation for contractors to store heavier equipment on-site where applicable to minimize the overall environmental footprint of the work.

Leverage existing resources and partners

The basics:

- [Buy Social Canada](#) offers free resources for implementing sustainable procurement (e.g. Social Value Menu Templates for Implementation for [Goods and Services](#) and for [Community Employment Benefit Agreements](#); and a [Trade Agreements Primer](#)).
- Share research and knowledge -consider joining or forming a group or a community of practice (e.g. [Canadian Collaboration for Sustainable Procurement \(CCSP\)](#) and [BC Social Procurement Initiative](#) both offer some free resources as well as additional tools and networking opportunities available to members). Some provinces or districts may also have a community of practice for purchasing managers or sustainability staff.
- Some municipalities have accessed funding from the FCM Green Municipal Fund to support the development of sustainable procurement policies and implementation plans.
- Consider partnering with nearby or similar sized municipalities (e.g. In PEI, the City of Charlottetown is partnering with the Town of Stratford to pool resources in implementing sustainable procurement in both municipalities).
- Consider joining a cooperative purchasing group (*need to add link to Mobility electrification - Cooperative Procurement section of Handbook once it is ready*)

Resources:

- CCSP offers a free [Sustainable Procurement Guide](#) with tips for starting the conversation in your municipality.
- [Sustainability Advantage](#) also provides free sustainable procurement tools and information on the [advantages of net-zero procurement](#)



- [Report from Green Economy Canada](#) on lessons learned from a pilot on Sustainable IT Procurement at a number of Canadian cities - includes link to self-assessment tool and a RFX guide for criteria to include in bid documents

Pilot some initial sustainable procurement projects to build momentum

The basics:

- A new sustainable procurement program can take several years to be fully developed and implemented. While this work is underway, consider piloting some sustainable procurement projects to build buy-in and demonstrate impact.
- Identify departmental champions willing to pilot sustainable procurement.
- Do a spend analysis - where are most municipal funds spent each year? IT and Facilities are often a good place to start. Which projects have the potential for high visibility (e.g. large capital projects, green buildings or retrofits). Low value tenders can also provide an opportunity for low stakes pilot procurement projects.
- Consider choosing areas where there is already a mature market addressing sustainability concerns (e.g office supplies; cleaning services; IT). This ensures suppliers will be ready to respond to sustainability considerations in tenders.

Resources:

- Explore opportunities to change the internal processes used for low value spending within the municipality (e.g. BCSPi case study on the [City of Victoria's corporate purchasing card pilot project](#))

Check existing contracts for opportunities to enhance sustainability

The basics:

- Look at existing contracts to see if there are ways to make ongoing purchases greener
- Existing suppliers may have ideas that can be implemented without requiring a change order (e.g. switching product brand to increase recyclable content; changing to fair-trade coffee). More environmentally friendly products are entering the market all the time.
- Explore opportunities to reduce packaging from existing suppliers or to switch to a product that is recyclable in your municipality's waste management program.

Adjust the weighting on sustainability

The basics:

- Many municipalities start with weightings of 5-10% for sustainability criteria and then build on this over time where appropriate.
- Weightings need to be right-sized for the type of purchase, not a one size fits all.
- Where larger sustainable and social value opportunities exist within a procurement project, it may make sense for the weighting of these elements to be increased.
- Some municipalities have used weightings as high as 50% for unique situations (e.g. Village of Cumberland's [RFP process for Temporary Use Permit for cannabis retail](#)).

Example:

- District of Squamish BC [Request for Supplier Qualifications for Consulting Services](#) bid document which includes Appendix E Social and Environmental Impact Questionnaire weighted at 30%.
- Comox Valley Regional District [RFQ for Denman Island Community Bus Services](#) - with a sustainability weighting of 15%



Shift focus to life-cycle costs

The basics:

- Allay fears about sustainable procurement being more expensive by encouraging a focus on life-cycle costs, sometimes referred to as Total Cost of Ownership (TCO), including initial up-front cost, lifetime maintenance and operating costs as well as disposal and waste management.
- The initial upfront costs of many purchases are often a fraction of the operating costs and disposal so it is important to focus on the total life cycle cost when choosing the contractor / supplier.

Examples:

- Green Economy Canada pilot project on [Advancing the Circular Economy in Canada: Sustainable IT Procurement for the Public Sector](#)

Case Study: District of Squamish [Circular Economy Framework and Circular Economy Roadmap Workshop](#)

The District of Squamish has been striving to align its economic development strategy with its long-term sustainability objectives and climate initiatives. In October 2023, the District's Circular Economy Roadmap and Implementation Plan was approved by the council.

The 2023 Circular Economy Roadmap and Implementation Plan builds on recent efforts to identify strategies that address community needs, tackle barriers to adopting circular practices, and complement existing initiatives both within the District and the wider community. This plan provides structure and organization to these efforts, enabling Squamish to effectively harness and amplify the benefits of collective action towards circularity.

Engage suppliers

The basics:

- Ensure local suppliers are aware of your municipality's sustainable procurement policy and are ready to bid on relevant contracts.
- Offer vendor training opportunities and online information.
- Develop lists of verified suppliers. Chambers of Commerce can be a good source for local business listings.
- Consider developing a Supplier Questionnaire or Code of Conduct to signal to bidders that sustainability is important in successful bids.
- Some municipalities provide opportunities for bidders to ask questions or seek additional information which can create opportunities to provide high impact bid-specific training.
- Consider seeking input from suppliers during the policy development phase.

Examples:

- Halifax Regional Municipality [Supplier Questionnaire](#) and [Supplier Code of Conduct](#)

Track and leverage successes

The basics:

- Establish sustainable procurement outcomes or key performance indicators at the start of the sustainable procurement process to ensure successes can be tracked and reported.
- Choose indicators based on the objectives that have driven the adoption of sustainable procurement in your municipality (e.g. strategic plan or climate and sustainability plan goals).
- Build in regular reporting to Council.
- Consider highlighting success through press releases and social media to build broader buy-in for the benefits of sustainable procurement.
- Consider partnering with neighbouring municipalities to create a common set of measures that are publicly available to suppliers to create a level playing field for doing business regionally. Transparent and predictable contract

requirements signal to suppliers that sustainability will be a priority going forward.

- Keep contract specific indicators of success meaningful but simple and err on the side of fewer measures to balance the data collection burden on smaller suppliers.
- Select only indicators for which you have a baseline and on which suppliers can reasonably report throughout the contract

Resources:

- For more on issues to consider in designing a measurement system see BCSP's [Impact Measurement Framework Guide](#)
- [ECPAR's Sustainable Procurement Barometer](#) Self-assessment tool for municipalities and other stakeholders to compare progress on sustainable procurement
- The Common Approach's [Impact Measurement framework for social purpose organizations](#)

Climate Caucus Resources

- [Climate Caucus Municipal Grants List](#) - detailed list of relevant municipal grants
- [Policies and Resources Library](#) - list of motions, bylaws, council reports and briefing notes

