



**Sustainable procurement is the use of strategic procurement practice to generate environmental and social benefits beyond the goods and services required. It optimises the environmental, economic and social benefits for an organisation and the community it serves.**

The Transport cluster is a significant procurer of goods and services and can display leadership in sustainable procurement at the state and regional levels by encouraging good practices by its suppliers to achieve environmental, economic and social benefits. By doing so, we will look beyond the up-front costs to make procurement decisions based on the entire life cycle of the goods and services, taking into account associated costs, environmental and social risks and benefits, and broader environmental and social implications.

### **The key outcomes of this policy are:**

- Adopt strategies to avoid unnecessary consumption and manage demand.
- Minimise environmental impacts over the life of the goods and services by selecting those that have lower adverse impacts associated with any stage in their production, use or disposal.
- Foster a viable market for sustainable goods and services by supporting businesses that demonstrate innovation in sustainability, and comply with socially responsible and ethical practices, including legislative obligations to employees.
- Use procurement as a driver for innovation to deliver sustainable transport solutions.

### **To achieve these outcomes, we will:**

- Examine the need for the product or service to avoid unnecessary consumption and manage demand.
- Consider the emissions, pollutants, energy and water required at all stages of the life cycle of the product or service.
- Consider the alternatives to procuring a replacement product, such as reusing, refurbishing or reconditioning the existing product or its components to extend its life.
- Consider the environmental management practices of suppliers/manufacturers where practicable, such as their level of compliance against ISO 14001.
- Require suppliers to meet their employment obligations under relevant legislation and other related instruments.
- Encourage and verify the social responsibility and ethical behaviour of the supply chain.
- In the context of whole-of-life value for money, select products and services which have lower environmental impacts across their life cycle compared with competing products and services.

**Tim Reardon**

Secretary

Effective date: 30 March 2016