

Climate and Procurement

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Scottish Government

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Context

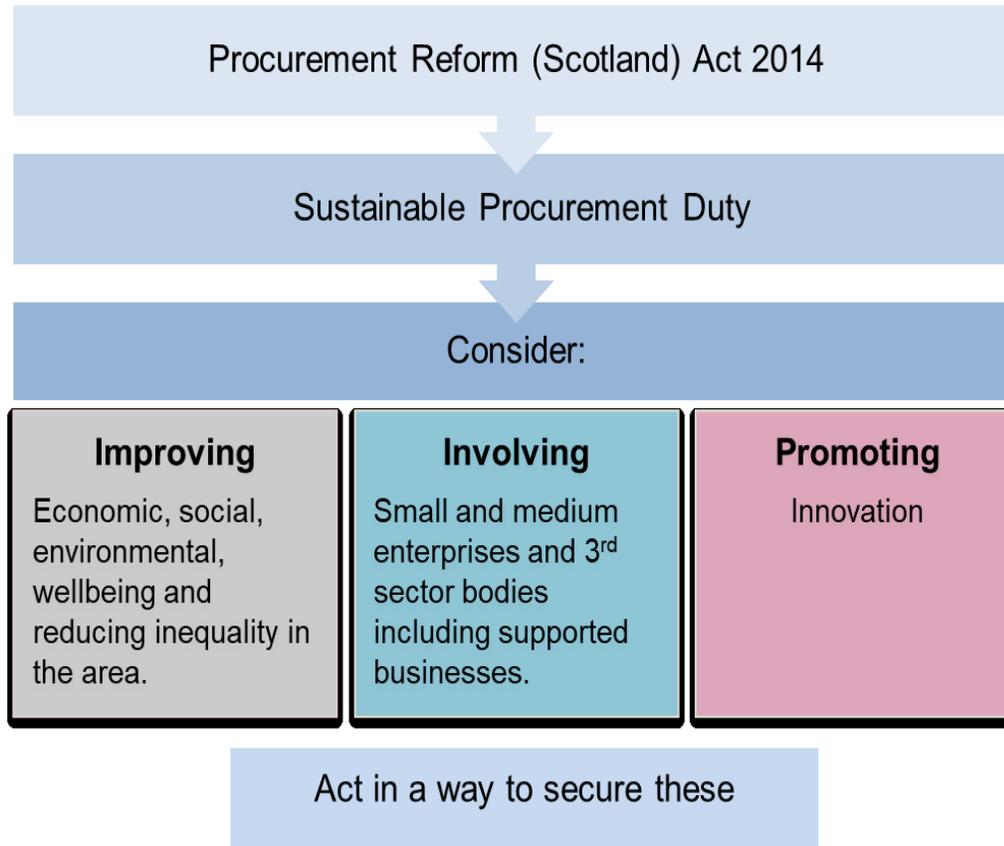
- Global Climate Emergency declared, April 2019,
- [Climate Change \(Scotland\) Act 2009](#) increased focus on emissions
- [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) – commitment to net zero emissions by 2045, 75% by 2030; 90% by 2040
- [Climate Change \(Duties of Public Bodies: Reporting Requirements\) \(Scotland\) Order 2015](#) - report annually on how procurement contributes to compliance with climate change duties.
- [Climate Change \(Duties of Public Bodies: Reporting Requirements\) \(Scotland\) Amendment Order 2020](#) requires target date for achieving zero direct emissions (or demonstration on how contributing to Scotland's target); and targets for reducing indirect emissions of greenhouse emissions.



Context:

Procurement Reform (Scotland) Act: Sustainable Procurement Duty

Business friendly: Socially responsible



Publish an Organisational Procurement Strategy & Annual Reports

The Ask

Climate Change Reporting Duties on how publically funded bodies will:

- align spending plans and use of resources to contribute to reducing emissions and delivering on targets;
- publish, or otherwise make available, progress towards achieving its emissions reduction targets; and
- contribute to Scotland's Adaptation Programme the most recent version of which was published in 2019.

The Response

- Programme For Government Commitment - To leverage our public procurement spend to contribute towards the transition to a more resource efficient, lower zero carbon economy
- Climate and Procurement Forum – Working collaboratively across public sector developing tools, guidance and a practical approach to use public procurement to support a green recovery and our wider climate and circular economy ambitions

Climate and Procurement Forum

To mobilise public procurement spend to support our climate emergency response

Strategy & Objectives

Line of Sight to Climate Emergency

Key Linkage with Strategic Groups & stakeholders

Leadership Statements

Policy Statements (SPPNs)

People & Capability

Climate Literacy for Procurers

Sustainable Procurement Tools & Guidance

Mentoring & Case Study Development

Operational Procurement

Local Prioritisation & Roadmaps – Now to Net Zero 2030 Template

PIACC – Primary Impact Guides

Supplier & Market Engagement

Collate Clear, Consistent Messaging for Markets & Suppliers

Prioritising supplier engagement

Wording for use in procurement systems & guides – reflected in PCS, PCS(T), PJ

Monitoring & Reporting

Appropriate use of life cycle costing / whole life costing

Development of a practical approach for public procurement

Agreed approaches for monitoring & reporting purposes



Climate and Procurement - Strategy and Objectives

Focus

- Oversight of Sectoral Climate and Procurement Messaging and Actions
- Embedding Developments –
 - Updated SPPN
 - Updated PCIP content
 1. Does your organisation embed climate and circular economy considerations into your corporate procurement strategy and delivery?
 2. Does your Senior Management actively measure and recognise the positive environmental impact that procurement can make in a planned, organisational approach?
 3. Are progress and achievements included in your organisation's annual procurement reports?

Climate and Procurement – People and Capability

Focus

- Sustainable Procurement Tools & Guidance
 - Climate Literacy for Procurers
 - Guidance Developed – Carbon in Production, Climate and Energy. Adaptation, Vehicle Emissions
 - Case Studies – Cross Tay Link Road, GCC Zero Emissions Fleet, Glasgow Kelvin College ICT, SG Facilities Management

All available from:

[Sustainable Procurement \(sustainableprocurementtools.scot\)](https://sustainableprocurementtools.scot)



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Climate and Procurement – Operational Work Stream

Focus

- FNT2030 – Net Zero Templates
- PIACC (Primary Impact Against Climate Change) Guides
Food, ICT, Furniture, Energy, Travel, Roads and Infrastructure

Climate and Procurement – Supplier and Market Engagement

Focus

- Collating Key Messages for Markets and Suppliers and Developing consistent wording for use in procurements
- Journey approach, supporting business to work towards achieving Net Zero targets
- Prioritising supplier engagement in terms of risk and opportunity to affect change

Climate and Procurement – Supplier and Market Engagement

Developing consistent wording for use in procurements

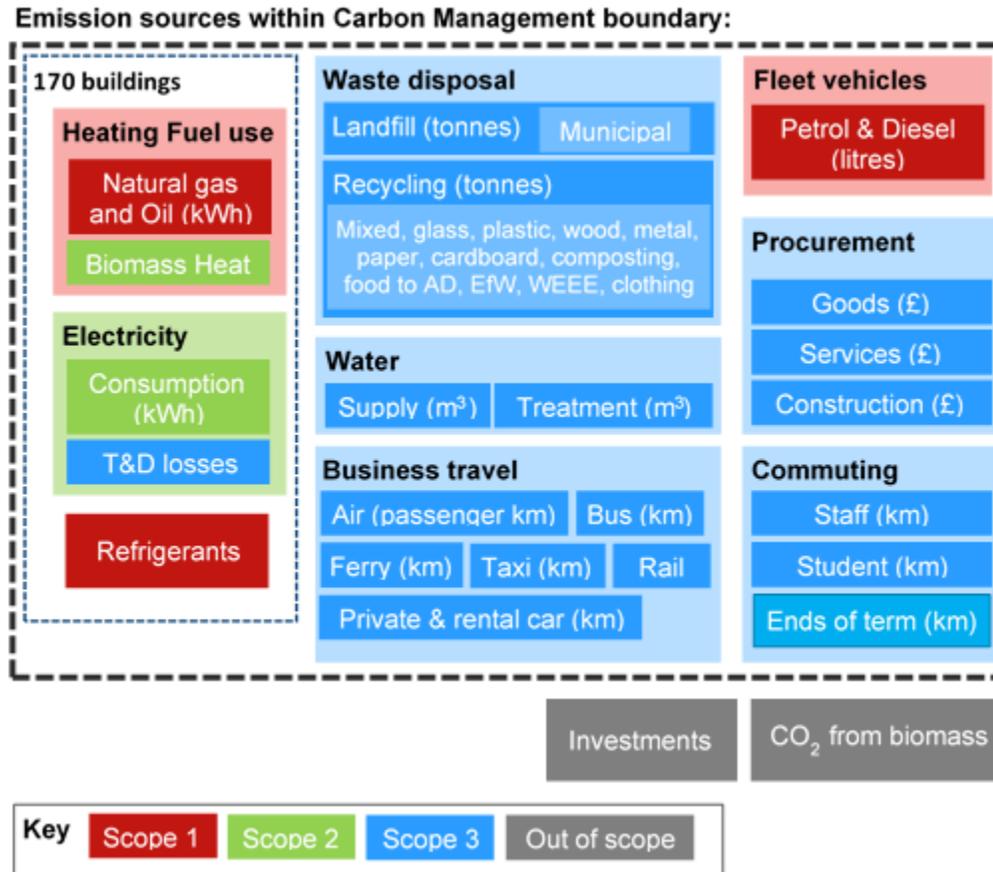
4C.7 Environmental management Question:

“Please provide details of the environmental management measures which the bidder will be able to use when performing the contract”

- Adding guidance for appropriate and uniform use of this question
- A phased approach to give the market time to prepare
- Different requirements for ‘relevant’ and ‘priority’ contracts



Scope 1, 2 & 3 – Emission Boundaries



Using the SPD Environmental Management Question

Relevant Procurements

- Tools and guidance on the Sustainable Procurement Tools Platform to make decisions about when it is relevant to include climate in procurement exercises
- From 2023 - Provide evidence that their organisation has taken steps to build their awareness of the climate change emergency and how they can respond

Priority Procurements

- High impact areas identified by organisations based on their organisational Priorities:
- E.g. Scottish Government priorities:
 - buildings
 - transport
 - waste
 - electricity,
 - agriculture,
 - land use and forestry
 - Industry
- From 2023 - Demonstrate knowledge of climate emergency, impact or organisation including Scope 1 & 2 emissions

SPD Environmental Management Questions - Links

SPD – Standardised Statement:

[SPD Documents | Procurement Journey](#)

Guidance for Buyers:

[Climate Emergency | Procurement Journey](#)

Guidance for Suppliers:

[Climate Emergency | Supplier Journey](#)

Sustainable Procurement Tools:

[Sustainable Procurement \(sustainableprocurementtools.scot\)](#)



Monitoring and Reporting – It's Complicated

- Accounting for the consumption of goods is complex because of the huge variety of materials, manufacturing processes, transport distances and modes that contribute to the emissions profile of each product.
- While spend-based supply chain factors can provide an overall macro level estimate of emissions, they are of limited use
- In the absence of any suitable to measure and record the precise environmental impact of procuring many goods, works and services, it is not appropriate to apply a universal measure to public procurement at present
- Focus your energy on effecting change through reduced emissions



Climate and Procurement – Monitoring and Reporting

Focus

Development of a practical approach for public procurement

- Explicit merging of PBCCD procurement and Annual Procurement reporting requirements
- a mixture of data and narrative reporting in PBCCD Annual Reports, with an increasing emphasis on data over time
- Encourage decision-making that has a high probability of achieving a real reduction in carbon emissions in the global system
- What is the lowest carbon option available to my organisation?
- Prioritise and address ‘Hotspots’



Central Government Update

Evelyn Rae

Scottish Government

May 2022

The Scottish Government Capability team have formed a Central Government (CG) Procurement and Climate Implementation Group (CIG) comprising of CG procurement representatives.

This group will liaise with the National Climate and Procurement Forum to progress specific actions, share information, best practice and lessons learned on measures being applied within the Central Government sector in relation to Climate Emergency. The overarching aim is to assist in advancing Climate Change Emergency procurement response.

From Now to 2030 (FNT2030)

Whilst some bodies will aim for the Scottish Government set target of 2045, many organisations are aiming for net zero by 2030 (or earlier).

This climate action management template has been created to be flexible *regardless of differences in organisational net-zero target dates.*

The template is introduced to support organisations as they progress climate impact planning, supporting the public contracting authority to have in place “From now to 2030 climate impact plans (FNT2030)” and beyond. The template supports collation and transparency to activities and monitoring measures by category / commodity (spend groups) for reduction in climate impacts across all relevant spend areas.



Primary Impact Area for Climate Change (PIACC) Guide

The work stream have focused on the eleven areas across the sectors where climate impact is prevalent. Primary Impact Area Climate Change (PIACC) guides are being developed for each of the 11 areas. The purpose of the guide is to better inform the organisation at each stage of the procurement journey of opportunities and considerations that can be made to embed and meet Climate Change Emergency objectives.

PIACC Area	Status
Energy	Out for feedback, publishing May 2022
Food (human and livestock)	Published on Knowledge Hub Feb 2022
ICT	Published on Knowledge Hub Feb 2022
Travel	Published on Knowledge Hub Feb 2022
Fleet	In Development
Roads and Infrastructure Fleet	Published on Knowledge Hub May 2022
Laboratories & Medical	In development
Furniture	Published on Knowledge Hub Feb 2022
Social Care	First Draft out for feedback Feb 2022
Water	In development
Waste / Refuse Management	In development



Whats Next????

Terms and Conditions Review

Scottish Government Capability Team resource is leading on an initial review of the current Scottish Government Terms and Conditions. This has highlighted an opportunity to ensure climate bespoke clauses are available for insertion into contracts.

Climate Handbook

Working collaboratively with Zero Waste Scotland, Scotland Sustainable Network and Sustainable Procurement Ltd.

Supply Chain

Supply Chain Engagement on areas of opportunity



Questions



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