

THE  
LANDMARK  
PROJECT  
MOVING TOWARDS  
SOCIALLY RESPONSIBLE  
PROCUREMENT

# GOOD PRACTICE IN SOCIALLY RESPONSIBLE PUBLIC PROCUREMENT

APPROACHES TO VERIFICATION FROM ACROSS EUROPE



## IMPRINT

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## 1 INTRODUCTION

The principle behind promoting social responsibility throughout the supply chain cannot be disputed, but achieving this in practice can be a challenge for public procurement professionals.

Public authorities across Europe are currently rethinking their approach to using social criteria in tendering procedures, to establish how they may be applied in a more effective way. The implementation of socially responsible public procurement (SRPP) is still in its infancy, but good progress is being made in some areas, despite the obstacles.

There has been a mixed response to the recent European Court of Justice (ECJ) judgment relating to the use of social criteria, in the case C-368/10<sup>1</sup>, brought by the European Commission against the Netherlands. The ruling provides a certain level of clarity in a field with very little existing case law, but at the same time could potentially discourage some public authorities from making bold steps towards enhancing social responsibility in procurement, at least until the adoption of the revised EU Procurement legislation at the end of 2012. Proponents of a more widespread and robust use of social criteria in public sector tenders hope that the revision of EU Directives (2004/17/EC and 2004/18/EC), will set out a clearer way for procurers to achieve genuine SRPP.

Issues surrounding the field of SRPP are not only of a legal nature. Ensuring that all workers throughout the supply chain are treated appropriately is challenging for procurement personnel, especially when the extraction of raw materials and the manufacturing or production of goods occurs in different countries. Legitimate SRPP requires that compliance with any social criteria stipulated in a tender, such as the exclusion of goods produced using child labour, or meeting the core International Labour Organisation (ILO) Conventions, is verifiable in a transparent and reliable manner. Achieving this can be time-consuming and complex for suppliers and buyers alike.

Advancements made towards SRPP by many European regions despite these challenges, is therefore very encouraging. Numerous municipalities have adopted a resolution to comply with the core ILO Conventions within their public procurement of products and services. Furthermore, many public authorities are at varying stages of developing and applying verification schemes to ensure that suppliers are complying with the required social standards. This document outlines examples of this progress, using information provided by local governments from across Europe.

Describing different verification practices, the following cases aim to offer relevant insights into what is required to make concrete steps towards sustainable procurement in practice. The examples are also designed to show which aspects must be considered to ensure compliance with the required

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<sup>1</sup> Cf. <http://curia.europa.eu> > C-368/10

social criteria. It describes verification and monitoring schemes that have been applied to a range of higher risk product groups. The approaches towards verification and monitoring chosen by the public authorities differ both in focus (e.g. exclusion of child labour, core ILO Conventions or other ethical trading objectives) and extent (e.g. simple bidder declarations, codes of conduct, labels and certification, follow-up questionnaires and audits).

In order to provide some advice for the practical use of verification schemes these good practice examples intend to show:

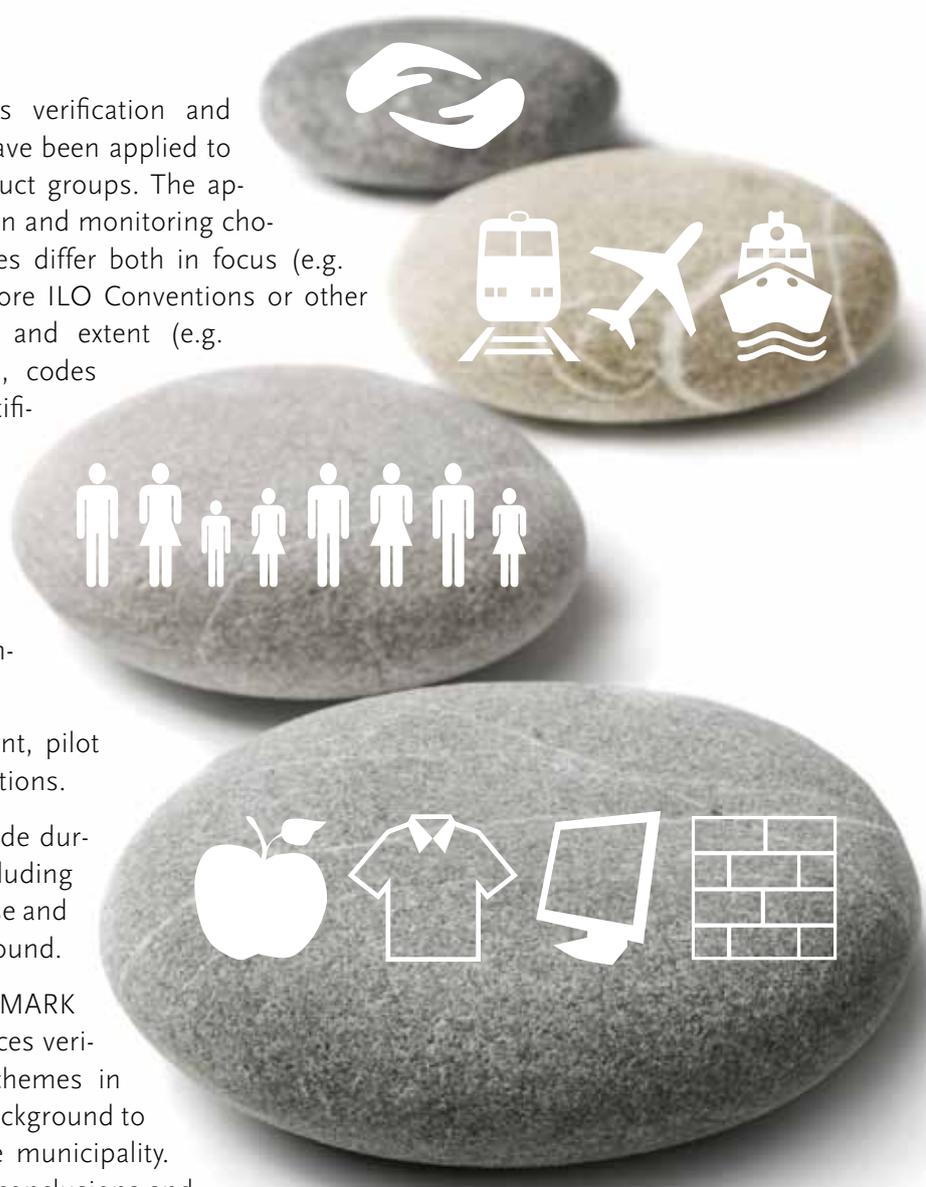
- Processes of development, pilot schemes and full applications.
- Practical experiences made during these processes, including the difficulties which arose and the solutions that were found.

In each chapter, this LANDMARK good practice study introduces verification and monitoring schemes in detail, after giving a short background to the overall approach of the municipality. Each case provides its own conclusions and recommendations but it is intended that readers draw their own conclusions as to which instruments would be most appropriate for use by their organisation.

The examples will hopefully serve as motivation to stakeholders in this process, provide some impetus towards further progress and encourage discussions in which experiences are exchanged about what can be done by public authorities in practice, to achieve effective SRPP.

This collection of current practice is a complementary publication to a legal guide “Verifying Social Responsibility in Supply Chains”<sup>2</sup> of the LANDMARK consortium, which provides in-depth legal perspectives on how verification can be achieved.

<sup>2</sup> Cf. <http://www.landmark-project.eu/en/guidance-tools>



## 2 GOOD PRACTICE CASES ON VERIFICATION IN SOCIALLY RESPONSIBLE PUBLIC PROCUREMENT (SRPP)

### Municipality of Malmö, Sweden

#### CASE 1: THE CITY OF MALMÖ'S APPROACH: Municipalities join forces to monitor compliance with social criteria amongst suppliers



Code of Conduct,  
Follow-up  
Questionnaire and  
Inspections

Product Groups:  
Electronic Equipment,  
Furniture and Office  
Materials

#### A. BACKGROUND

Malmö has around 300,000 residents and an annual procurement volume of approximately five billion Euros. Previously the City's focus was on industry, but there is now a heavy overall emphasis on sustainability in Malmö's overall strategy. Examples of this commitment include the progress made with sustainable construction and organic food served in school canteens. The City started to apply SRPP criteria in 2007 to a range of products including flowers, tea, coffee, bananas and textiles.

Work and news relating to procurement and contracts is published on the Malmö's internal website and SRPP is also mentioned in the budget and in brochures on sustainable food, distributed to schools and care homes for the elderly.

Malmö decided to increase its efforts towards achieving SRPP due to a political commitment. The City has several political guidelines that point towards how procurement should be undertaken and that, for example, low environmental impact and socially responsible products should be the first choice. For certain product categories, an assessment is conducted three times a year to investigate the percentage of both green and ethical goods purchased, in order to try and encourage an increase in the proportion of such goods. Between March 2011 and February 2012, Malmö bought 37% of commodities including fruit, tea and coffee, dairy, fish and meat products with environmental criteria, and 54% of tea, coffee and bananas was fairly traded.

Before entering into any procurement, Malmö looks to collaborate with other authorities to see if they have any similar requirements. They also explore whether there has been any development in the process of making new requirements of suppliers, related to environmental and social responsibility.

## The approach towards verification

The main objective behind the development and application of the verification scheme that builds upon the three pillars Code of Conduct, Follow-up Questionnaire and Inspections, was to minimise any negative social impacts of the City's procurement activities up the supply chain. Malmö's aim is to use its spending power and influence to help drive markets towards improving conditions for their workers. A working group was established to develop the verification scheme.

The first step was the design and undertaking of an appropriate **risk analysis**, which was conducted in 2010. This helped to identify those product categories most likely to be associated with infringements of workers' rights, such as those outlined in the core ILO Conventions. Three product groups were identified as being high risk: electronic equipment, furniture and office materials. Malmö decided that a verification scheme such as the Code of Conduct was needed for these three categories, to try and ensure genuine supplier commitment to considering the social aspects of the delivery of their product or service. This was followed by **research** conducted into what aspects other municipalities covered in their Codes of Conduct. It was eventually decided that Malmö would use the same format as Sweden's Environmental Management Council. Follow-up questions were developed as a means of evaluating whether a risk is posed by the company and whether they need to make any improvements or clarify the process they currently have in place.

There was support for the creation of a verification system amongst other public authorities in Sweden. A contract to pay for supplier inspections, to verify whether they are adhering to the Code of Conduct, has been established and includes 44 other Swedish municipalities such as Gothenburg, Lund and Växjö.



Image: flickr / Pedro Cora

### MILESTONES

- 2007 Malmö starts to carry out tender processes with socially responsible criteria
- 2010 A risk analysis is conducted, identifying three high risk groups
- 2011 A contract is made in conjunction with 44 other Swedish municipalities to pay for supplier inspections

## B. THE APPLICATION OF VERIFICATION AND MONITORING SCHEMES

So far the verification scheme has been initiated as part of procurement procedures, the first of which began in 2011. The Code of Conduct has therefore been signed by suppliers of IT equipment, furniture and office equipment and the follow-up process is already underway in the contract for the supply of IT hardware to schools. Malmö has decided to increase the breadth of product categories for which the verification scheme will apply to, so that the procurement of other potential high risk product categories, such as food and healthcare materials, are included in the future.

In its Code of Conduct, Malmö refers to the **core ILO Conventions** numbers 29, 87, 98, 100, 105, 111, 138 and 182 in addition to the Rights of the Child, Article 32. It also makes reference to work-related health and safety legislation in countries of manufacture as well as the labour law, including legislation on minimum wage and social insurance, in the country of manufacture.

The verification and monitoring scheme is comprised of the following documents and procedures:

- **The Code of Conduct:** A list of commitments that the bidders are asked to agree to as part of their tender submission. Non-agreement automatically leads to the exclusion of the bidder.
- **The Monitoring Form:** As part of the contract management process, a Follow-up Questionnaire is sent out to all suppliers around four months into the contract. This Monitoring Form is accompanied by written guidance on how it should be completed.<sup>3</sup>
- **The Assessment Model:** Used by the municipality to evaluate answers to the Follow-up Questionnaire, again as part of the contract management process.
- **The Inspections:** Every supplier is inspected at its premises at some point after having completed.

Compliance to the verification scheme in general is enforced as part of the contract performance clauses. Bidders are made aware of the criteria for the first time when they see the advertisement to tender. At this point potential suppliers see the criteria behind the Code of Conduct and also the Monitoring Form so that they can prepare accordingly.

## Monitoring

Each successful bidder is sent a **Follow-up Questionnaire** based on the Code of Conduct a few months into the contract period. This form is then assessed using Malmö's set model to judge the comprehensiveness of the responses.

All suppliers that receive the Code of Conduct undergo an **inspection** at some point during the contract period. A more rigorous inspection process is conducted with those suppliers whose Follow-up Questionnaires are not considered to be satisfactory. This is paid for by Malmö and 44 other Swedish municipalities. The City does not currently use the Code of Conduct with suppliers of lower risk product groups due to time and resource constraints.

If upon inspection there are inadequate procedures in place to meet the terms of the Code of Conduct, suppliers are asked to improve their system to make sure that they are considering social aspects sufficiently. Malmö do not necessarily terminate contracts with suppliers who fail to meet the criteria, but rather they work with the supplier to ensure that they meet the social considerations related to the core ILO Conventions in future. This procedure is currently under review.

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<sup>3</sup> The LANDMARK legal guide on verifying social responsibility (cf. <http://www.landmark-project.eu/en/guidance-tools>) provides a detailed analysis of this Monitoring Form on pages 22-28.

## C. LESSONS LEARNED AND FUTURE PLANNING

### **Strengths identified in the process**

Malmö's inclusion of social considerations in high risk tenders resulted from the Council's underlying political commitment to sustainable procurement as a whole. Another strength that was built upon, which helped Malmö progress towards its goal, was the Council's existing procedures designed to facilitate sustainable procurement. These include effective procurement practices, training, contract monitoring and management.

A key strength of the development of Malmö's verification scheme was the collaboration that existed between other Swedish municipalities. The same is true of the collaborative nature of supplier monitoring post-award. Joining forces to carry out this essential element of contract management has saved all municipalities involved both time and financial resources.

Malmö identified that an important advantage of the process itself was the opening up of a line of communication with contractors on the issue of social considerations, which helped to lead work in the right direction.

However, it is still very early days in terms of the implementation of the Code of Conduct, the Follow-up Questionnaire and the Inspections for high risk category suppliers. It is therefore too soon to judge the overall success of the initiative or collate meaningful results at this stage.

### **Weaknesses identified in the process**

During the implementation of the initiative, uncertainties arose as to what the City actually hoped to achieve from the verification scheme. The development of the Code of Conduct itself was also difficult in terms of deciding whether the requirements should be very clear and precise, or more open and qualitative. Another uncertainty was establishing the most appropriate and effective monitoring mechanism to use, the concern being whether they would have enough resources to follow up. Malmö discovered that this monitoring process takes a significant amount of time and initially it was hard to know exactly which aspects to focus on.

### **External Opportunities identified in the process**

For the future, Malmö identified the significant benefit that using a standard Code of Conduct across all municipalities would bring. It would present the opportunity for increased collaborative working between public authorities both in terms of input on the Code of Conduct and monitoring during the lifetime of the contract. Suppliers would also be more strongly encouraged to improve their procurement practices if all public authorities were united in their approach. They could also share out the whole monitoring process as it would be likely that many authorities use the same supplier for products and services. At present the audits are made by inspectors based on ILO criteria rather than the specific codes of conduct, as they all differ.

### **External Threats identified in the process**

There is a perception that public authorities are constrained in terms of the scope and extent of social considerations they can stipulate. This is especially the case with suppliers from under-developed markets like Information and Communication Technologies (ICT), i.e. those in which social aspects of the supply chain have been less thoroughly explored than, for instance, textiles or food and beverage commodities. It is feared that if too many requirements are made of suppliers then too few bids would be submitted, reducing competition and perhaps value for money.

### **Future planning**

At present there is no plan to extend the social criteria themselves, but Malmö's verification scheme will be used in an increasing range of product groups.

## **D. CONCLUSION AND RECOMMENDATIONS**

### **Conclusion**

Although the development of specific requirements for their suppliers was challenging, Malmö has already managed to make significant steps towards embedding social responsibility into their procurement processes. Suppliers do not seem to have responded in a negative way nor put up their prices in response to the City's verification scheme.

Malmö believes that the inspection process could be developed further, but for now, the fact that so many municipalities are working together to monitor supplier compliance with core ILO Conventions (and in the case of Malmö furthermore other ILO Conventions such as on minimum wages), is a big achievement. Pulling on the same string and sharing resources to develop and apply verification and monitoring schemes helps to strengthen SRPP and to influence markets.

### **Recommendations**

Malmö found that the most important consideration is that of how an authority plans to monitor suppliers on their social compliance. Malmö emphasises the importance of actually following up on supplier practices to ensure that they have put procedures in place to allow compliance with a Code of Conduct.

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Information on Malmö's sustainable procurement is available (in Swedish) at: <http://www.malmo.se/Foretagare/Offentliga-upphandlingar/Regelverk-och-policy/Hallbar-upphandling.html>

## Municipalities Association LIPOR, Portugal

# CASE 2: LIPOR'S APPROACH: From waste management to socially responsible procurement

### A. BACKGROUND

The Intermunicipal Waste Management of Greater Porto (LIPOR) is the entity in charge of the management, recovery and treatment of the solid waste generated by eight municipalities including Espinho, Gondomar, Maia, Matosinhos, Porto, Póvoa de Varzim, Valongo and Vila do Conde. These areas were brought together as a Municipalities' Association in 1982 and since then have been implementing an integrated waste management system through improvements to infrastructure and the development of awareness campaigns aimed at members of the community.

Every year, LIPOR treats around 480 thousand tonnes of urban solid waste produced by approximately 1 million inhabitants. Currently, LIPOR employs around 220 people and in 2011 its purchase volume was almost 23 million Euros.

LIPOR started increasing its sustainable procurement activities in 2008 and went on to achieve the Corporate Social Responsibility (CSR) standard SA8000<sup>4</sup> in 2009. It has since been heralded as a role model in Portugal by other public entities, as it was a pioneer in this respect. Since 2010, LIPOR has participated in the international project "Building SPP - Capacity Building in Sustainable Public Procurement", supported by the LIFE+ Programme<sup>5</sup>. Its sustainable public procurement procedures are public and can be consulted at the LIPOR's website ([www.lipor.pt](http://www.lipor.pt)) and in leaflets. LIPOR also publishes an annual sustainability report, an initiative worthy of replication by other companies and local authorities.

The initial motivation for LIPOR to embed sustainability in their public procurement activities was the publication of a resolution of the Council of Ministers in 2007 (No. 65/2007), which set priority products in the National Strategy for Green Public Procurement. The achievement of the SA8000 certification for social responsibility was also influenced by external drivers, but the organisation's procurement division decided independently to include social and environmental sustainability criteria in their public procurement procedures.

LIPOR has been supported in its progress with SRPP through the creation of partnerships and through the exchange of information with supplier entities with the same certification and certification companies. To date, the organisation has not encountered difficulties with the inclusion of social

4 Cf. [www.sa-intl.org](http://www.sa-intl.org) > Our Work > SA8000 Standard

5 Cf. <http://ec.europa.eu/environment/life/funding/lifeplus.htm>



criteria in tenders. Verification schemes were applied as a mandatory process because appropriate monitoring and auditing procedures are needed to maintain certification.

The overarching objective of all LIPOR's work is to pursue its commitment to SRPP and be recognised by the public as a responsible buyer and consumer, whilst guaranteeing the welfare of the community.

### **The approach towards verification**

LIPOR started to develop their verification scheme based on an exchange of ideas with other certified companies, an auditing team and a team of employees from several departments.

LIPOR first introduced a Code of Conduct<sup>6</sup> for its suppliers with the objective of establishing a commitment to the main principles of the Human Rights Declaration, core ILO Conventions and National Legislation, which should be applied to all activities. The Code aimed to broaden the scope of LIPOR's commitments by outlining social and environmental criteria to all suppliers that work with them.

After this first step, the full verification process was designed and developed. Subsequently three decisions were made:

- The Code of Conduct would be applied to all suppliers whose turnover was 10,000 Euros or more.
- All suppliers of services to LIPOR would be asked to complete a self-assessment form<sup>7</sup>.
- A private auditing process would be applied to all strategic suppliers and service providers (e.g. those involved in central energy recovery and those that use the organic recovery centre)

It is important to emphasise that the main aim of the verification scheme was not to be an arbitrator, but rather to raise awareness of suppliers about the importance of respecting social and environmental criteria.

#### **MILESTONES**

- 2008 LIPOR starts to develop verification schemes for the certification process
- 2009 The organisation receives the Corporate Social Responsibility Standard SA8000
- 2009 LIPOR begins the process of applying the verification schemes

6 Cf. [www.lipor.pt/upload/Lipor/ficheiros/Code\\_Conduct\\_Suppliers\\_EN.pdf](http://www.lipor.pt/upload/Lipor/ficheiros/Code_Conduct_Suppliers_EN.pdf)

7 Cf. [www.lipor.pt/upload/Lipor/ficheiros/Affidavit\\_%20Declaration\\_Commitment\\_EN.pdf](http://www.lipor.pt/upload/Lipor/ficheiros/Affidavit_%20Declaration_Commitment_EN.pdf)

## B. THE APPLICATION OF VERIFICATION AND MONITORING SCHEMES

LIPOR refers in its verification scheme to the **core ILO Conventions** plus following further social criteria: a safe and healthy working environment, the exclusion of disciplinary practices, the compliance with applicable legislation on working hours and remuneration. It also asks the suppliers to ensure that its own suppliers and sub-contractors comply with the commitments and requirements stated, by selecting and assessing them upon their capacity to comply with these requirements. The Code of Conduct is applied to all groups of products and services used by LIPOR in their daily operations (e.g. transport, cleaning services, office supplies, auditing services), there is no distinction made.

During the tendering, the **Code of Conduct** is sent to all the tenderers whose turnover is equal or more than 10.000,00 €, or in all the cases where the tender value is equal or more than the 10.000,00 €. LIPOR asks them to commit to this Code of Conduct by signing the so called Commitment Declaration. This aims at the same time to raise awareness of suppliers to the importance of social responsibility and their obligation to have a more pro-active role in this area.

In the beginning of the execution of the contract, a **self-assessment form** is given and has to be filled in by all suppliers who provide products or services to LIPOR. It is followed by an interview to assess the information given in the form during the execution of the contract.

Every year, an **auditing process** is applied to all strategic suppliers.

The verification scheme is applied as part of the contract performance clauses, and is announced to the suppliers during the call for tenders.

Every year LIPOR invites its suppliers to a **workshop** on social responsibility where the verification schemes, criteria included in the tenders and the Code of Conduct are discussed. In this workshop, LIPOR also gives the chance to suppliers to give testimonies about the impact of the application of the Code of Conduct. Information about tender procedures and the verification scheme is also available on LIPOR's website and in tender advertisements.

LIPOR recommends that suppliers also work with all of the supply chain and partner suppliers in order to increase socially responsible production. Recent assessments indicate that LIPOR's recommendations are accepted and applied by all suppliers.

### Monitoring

Information provided by suppliers in the self-assessment form is assessed through **face-to-face interviews** with LIPOR and evidence is gathered from suppliers in the form of specific documentation. If criteria are not met LIPOR recommends opportunities for improvement.



## C. LESSONS LEARNED AND FUTURE PLANNING

### **Strengths identified in the process**

The verification scheme allows suppliers to see LIPOR as a socially responsible entity, which in turn encourages them to make the efforts needed to give due consideration to social responsibility in the supply of products or services.

The high level of cooperation of all LIPOR's suppliers has ensured the success of the organisation's initiatives on SRPP. To date, no supplier has ever refused to work with LIPOR because of the inclusion of socially responsible criteria or verification schemes. On the contrary, suppliers have actively participated in LIPOR's annual workshops on social responsibility and given testimonies after their actions. Due to this level of cooperation, LIPOR is assured that the suppliers and manufacturers with whom they work also consider and care about social responsibility.

### **Weaknesses identified in the process**

After introducing the verification scheme LIPOR found that compliance with all relevant social criteria was misinterpreted by some suppliers as a certification of their company with the SA8000 standard.

Upon reflection, LIPOR realised that too much emphasis was placed on the signing of the Code of Conduct, rather than ensuring that the document was fully considered and all aspects were taken on board by suppliers.

### **External Opportunities identified in the process**

In terms of the application of verification schemes LIPOR sees opportunities for support in Portuguese law, whose labour legislation is very protective of workers' rights.

### **External Threats identified in the process**

The current global financial crisis and especially the severe economic crisis in which Portugal is currently involved, has been perceived as a key threat and obstacle to the process. In fact, the cuts in expenditure are causing Public Companies, including LIPOR, to reduce costs and to decrease the number of tenders progressively.

LIPOR considers however, that the benefits for society, such as the commitment of suppliers to workers' rights and the wellbeing of the community, are always superior to the costs.

### **Future planning**

Further actions to enhance SRPP include involving new suppliers in the process and LIPOR's plan to obtain the Certification AA1000<sup>8</sup>.

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8 Cf. [www.accountability.org/standards/index.html](http://www.accountability.org/standards/index.html)

## D. CONCLUSION AND RECOMMENDATIONS

### Conclusion

The most important lesson learned by LIPOR is the need to have all suppliers well informed, in order to ensure their participation in the process. The relationship with suppliers is seen as a kind of partnership, with mutual support, working towards the same goals.

Being an association of municipalities, LIPOR has a relatively large capacity to develop and apply verification schemes. LIPOR's experience with SRPP and the progress made so far has helped to encourage the organisation that achievements can be made and that new avenues are worth exploring in the future.

### Recommendations

During the planning stage of a verification scheme, it is recommended that the team involved should have detailed knowledge of relevant products and services, including the associated supply chain, and should clearly identify who their strategic suppliers are.

When applying verification and monitoring schemes, it is important to keep suppliers informed and involve them in their assessment. It should also be ensured and demonstrated that suggestions made are constructive rather than negative, in order to foster improvement. It is seen as essential by LIPOR to be transparent, to report on progress and to disseminate relevant information to suppliers.

The importance of raising awareness of all its partners, including manufacturers and suppliers, to social issues cannot be understated.

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**Supplier's  
Declaration and Sector-  
specific Certification  
Scheme**

**Product Groups: Work  
Wear and Foot Wear**

## **Municipality of San Sebastian, Spain**

# **CASE 3: THE CITY OF SAN SEBASTIAN'S APPROACH: Work wear & foot wear for employees of San Sebastian City Council, respecting the core ILO Conventions**

## **A. BACKGROUND**

San Sebastian (or “Donostia” in the Basque language) City Council is responsible for a population of approximately 180,000 inhabitants, with 2,000 people in the municipal administration. The total volume of work wear and foot wear purchased per year by the City Council is 230,000 Euros.

The City started to look into the issue of SRPP in the year 2000. There was a high motivation due to raised awareness on the issue; they knew it could create difficulties in the market, but believed that gradually it would be achievable. There was a municipal agreement in 2006 on best practices used to greening the specifications and serves as a base and commitment of government itself.

The introduction of social criteria in the purchasing process has been done with the collaboration of internal specialists such as lawyers from other city council departments and also with the collaboration of the Basque Country Government that has worked with other Basque City Councils on similar cases, such as Bilbao. San Sebastian's buying department researched similar cases, information and contacts from the internet and also had contact with the NGO *Fundación EMAUS*<sup>9</sup> that has previously done some work in public procurement in collaboration with the NGOs *IDEAS* and *Bakeaz*.

The municipality is convinced that the more tenders that adopt social criteria, the greater the awareness created. There is a technical committee in place which has created procurement training on the introduction of social criteria, ethical and environmental issues. This document has been prepared and has the agreement of councillors and supporters of the initiative, though has yet to be signed off by the Governing Board in 2012.

### **The approach towards verification**

The initiative for the development of a verification system started in the year 2000, and care was taken to include criteria that already existed in the market, in order not to demand things that would be hard to achieve for the market. Information was taken from guides and studies produced by the Basque Public Society *IHOBE*<sup>10</sup>. Initially the criteria were presented as “valued” in the tender but gradually became “required”.

<sup>9</sup> Cf. <http://www.emaus.com>

<sup>10</sup> Cf. <http://www.ihobe.net>

The first tender in which San Sebastian included social criteria, was for work wear and foot wear in 2009. San Sebastian City Council will publish this tender again in March 2013 and will continue to use such criteria.

Further, social criteria have also been included in the tenders for some other product groups such as office supplies, hygiene products, bicycles and vending machines offering fair trade products.

#### MILESTONES

- 2000 Start to focus on issue of socially responsible public procurement
- 2006 Municipal Agreement on best practices used to greening the specifications
- 2009 First tender with inclusion of social criteria (work wear and foot wear)

## B. THE APPLICATION OF VERIFICATION AND MONITORING SCHEMES

San Sebastian refers to the **core ILO Conventions** in its verification scheme.

The verification scheme has been applied for tenders in general work wear and foot wear. The current contract started in 2009 and was for three years with a possibility of extending for an extra year. The volume of the tender is 319,528.80 Euros (including transport & tax) and broken down as follows:

Clothing: 241,690.30 Euros

Foot wear: 77,838.50 Euros

The social clauses (ILO criteria and its verification) are included as a specific point in the technical specifications of the tender that refer to the subject matter (Supply of work wear and foot wear produced in a socially responsible way). Bidders have to submit proof of compliance (credentials and certificates) at the time of submitting their bid. If bidders do not comply with the minimum technical specifications, they are excluded from the tender process.

The bidders have to provide a signed **“Supplier’s Declaration of Ethical Commitment”** guaranteeing that all products have been produced respecting the core ILO Conventions. Within this declaration they are asked to list all their subcontractors and supplier details. The provided information should be secured by a non-disclosure agreement between the contractor and contracting authority.<sup>11</sup>

<sup>11</sup> For a comprehensive discussion on the disclosure of lists of subcontractors and suppliers, please read the [LANDMARK legal guide](#) (cf. footnote 2 above).

To support this guarantee the bidder is asked to supply:

- a certificate (SA8000, membership of FairWear Foundation or equivalent)
- or an external audit certificate
- or a self-declaration with details on how compliance can be guaranteed, i.e. stating according to which standards or monitoring procedures.

In the case of clothing and foot wear, the verification system also covers the certification OEKOTEX 100, Made in Green, and natural fibre or equivalent.



Image: flickr / d'n'c

## C. LESSONS LEARNED AND FUTURE PLANNING

### Strengths identified in the process

For San Sebastian, it has been satisfying to be recognised elsewhere (e.g. in conferences) and to see the reaction of other municipalities to their experience. Many are now realising that set criteria are of most use if they are directly demanded in the specifications. Although it has been a tough process, in a similar way with Fair Trade coffee, despite the initial doubts and rejections, gradually it has become accepted and unquestioned.

### Weaknesses identified in the process

In general the hardest thing about this whole process has been achieving general acceptance. Most opposition arose from the rejection of change or the difference in price.

### External Opportunities identified in the process

The training the Municipality has created for the introduction of these criteria, and also the existence of a directory of social, ethical and environmental clauses produced by IHOBE, could prove to be useful in terms of replicating this system, and for other municipalities.

### External Threats identified in the process

A possible threat to the smooth functioning of an initiative such as this is the lack of supply, having to wait for suppliers to take this on board and start developing the necessary systems.

### Future planning

There are no formal plans at the moment to include further social criteria, but with constant innovation, San Sebastian expects this to happen sometime in the future.

By way of improving the process for the future, San Sebastian aims to level the playing field across the municipality, homogenizing systems and making the whole process more crosscutting.

## D. CONCLUSION AND RECOMMENDATIONS

### Conclusion

The benefits of implementing such a verification system include satisfaction within the municipality, being a leader and driver for change. A positive reaction, which San Sebastian noticed, is that suppliers have begun to innovate and also have meetings with the Public Society IHOBE themselves.

The overall aim remains the mainstreaming of these systems – that they are internalised and taken on by each department. Above all, the most important learning point is to have patience working with the many departments involved. It is important that the initiative taken by municipalities is rewarded, as a means to validate this work and cause people to really start to believe in it.

### Recommendations

It is vitally important that all parties know that they are embarking on a long process. Effective communication between the departments involved and the potential suppliers is at the heart of success.

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## Bidder Declarations and Labels

Product Groups: All

Product Group with existing Labels: Natural Stones, Sports Balls

Product Group without existing Labels: Projectors

## Municipality of Munich, Germany

# CASE 4: THE CITY OF MUNICH'S APPROACH: On the pathway towards verification and monitoring

## A. BACKGROUND

In 2002, the City of Munich was one of the forerunners in ensuring that goods produced using exploitative child labour (ILO Convention 182) in their procurement processes were excluded. Originally, the City had a standing rule to procure only gravestones made without exploitative child labour, but this was revoked by the Bavarian Federal Court in 2009. Subsequently however, in October 2011, the Court decided that municipalities would be entitled to make such regulations.

An amendment in German federal procurement law in 2009 opened up new possibilities for enclosing social criteria in the tendering process and leads to more legal certainty. In March 2010, Munich City Council decided to advance its level of sustainable procurement, by integrating the core ILO Conventions into its procurement system. This meant that unfair working conditions in general were taken into account, in addition to the issue of exploitative child labour. In December 2011, the City Council adopted this new policy to further develop social responsibility, fairness and also environmental sustainability in its procurement practices. The policy covers multiple product categories, including those provided as part of services and works. These include natural stones, sports balls, food products, textiles, toys and IT equipment.

The City established several necessary avenues of cooperation whilst implementing their SRPP-policy. The Office of the 3<sup>rd</sup> Mayor, which is responsible for the overall implementation of the policy and its effectiveness, collaborates closely with the individual procurement departments. It is supported by the City's International Development Department ("*Fachstelle Eine Welt*"), which has the function of giving advice in areas such as establishing appropriate criteria, identifying which labels currently exist and deciding how they can be applied in the procurement process. They coordinate all necessary actions with the relevant procurement departments and also work on developing the product groups for which the only current evidence of compliance is self-declaration.

To consolidate their work, the Municipality put together a wider working group led by the Office of the 3<sup>rd</sup> Mayor, which began discussions in 2009. It includes different directorates and departments such as the Directorate for Finance and Accounting, the Legal Department, the Building Directorate and procurement departments as well as civil society groups and networks.

The City of Munich also cooperates with NGOs and other stakeholders such as churches, unions, private enterprises and schools. As part of this collaboration, the City conducted a joint campaign with a group of NGOs against child labour after the Court's controversial decision in 2009 (see above).

### **A two-fold approach towards verification**

Intensive work has been carried out by the working group with the aim of embedding the core ILO criteria into procurement procedures and developing binding verification and monitoring mechanisms. The group found that the verification and monitoring of compliance with all eight core ILO Conventions was a challenge, due to a lack of effective auditing processes.

The aim of the complete inclusion of the core ILO Conventions into procurement practices, including verification and monitoring procedures, will therefore be pursued by the City in the long term. The research into clear, product-related minimum standards is a time-consuming task and therefore also a long-term aim.

Therefore until the above can be achieved, a more immediate, practical solution was sought. In the short and medium term therefore, labels shall be required of the bidders, which define and guarantee concrete criteria. The labels' auditing standards shall guarantee verification and monitoring.

As an alternative to certificates the City accepts independent audits conducted by a third party. For products for which no labels exist, bidder self-declarations are required.

As a next step in the process to advance the use of social criteria in the procurement process, there will be a specific dialogue with suppliers about the issues surrounding social criteria, to raise awareness and discuss existing problems.

#### **MILESTONES**

- 2002 Decision of City Council to exclude products from exploitative child labour
- 2009 Public campaign on procurement of gravestones without child labour
- 2010 The City Council decides to further advance the level of sustainable procurement, by gradually integrating core ILO Conventions into the procurement system
- 2011 The City Council adopts the new policy (City Council Resolution)

## B. THE APPLICATION OF VERIFICATION AND MONITORING SCHEMES

**Labels and certificates** are used by Munich as verification of compliance to social criteria for a range of products for which certification exists. This principle is at different stages of implementation for categories including natural stones, sports balls, flowers and food products. The aim is to stipulate labels and certificates for further product groups progressively.

- **Natural stones:** The criteria of labels for the procurement of natural stones from Asia, Africa or Latin America (e.g. win=win, Xertifix) were used for the first time in 2010. In practical terms it has turned out that the submission of the label as proof of compliance cannot be applied at the tender process: The stones, which will be used for the construction works, have not yet been bought and therefore it cannot be proven that they are certified. Therefore the bidder has to declare the name of the organisation, which will certify the product. The bid can be excluded, if there is no declaration. The label or equivalent proof of compliance needs to be submitted before the order is placed; otherwise the contracting authority can pull out of the contract. Therefore the requirements are included in the Terms of Reference. The labels *Xertifix*, *Win=Win Fair Stone* (or equivalent) are given as examples of compliance. In future this procedure will be progressively applied throughout the City for the procurement of all natural stones.
- **Sports balls:** With a new framework agreement beginning in 2013, the City of Munich will only purchase balls produced in a socially responsible way, referring to the criteria of recognised labels such as Fair Trade or equivalent. Potential bidders will be made aware of this contractual condition before tendering. The first steps have already been taken in this procedure: The former framework contract for 2011 and 2012 requires a self-declaration by bidders, but only one out of 14 balls included in the contract is a certified Fair Trade-Ball. Therefore, a stronger focus on the actual verification of the required criteria and connected proof of compliance will be enforced. From 2013 onwards, the use of socially responsible purchasing of sports equipment will also be promoted in private sports clubs, for which the framework contract does not apply.
- **Food at schools, kindergartens and canteens:** The department responsible for education and sports will increase the supply of regional, socially responsible and/ or low environmental impact food products to Munich's public schools and kindergartens. A multitude of providers currently exists for the supply of such food to schools. The next step planned by the City is to establish a set of criteria that must be met for school supplies. For the municipal canteens there is also a plan to increase such products. Therefore the City Council decided to commission an external assessment to clarify questions surrounding the range of products, prices, impacts on environment and climate, in the context of a contractual framework.
- **Toys:** The Municipality of Munich will investigate whether certification exists for the products they require. Additionally, a flyer on responsible purchasing of toys will be distributed to municipal kindergartens.

For all other product groups, services or works, for which certificates do not exist, bidders must provide self-declarations to declare that they and their sub-contractors or suppliers, do not include goods produced through the use of exploitative child labour.<sup>12</sup>

Promoting SRPP in underdeveloped product categories through social **award criteria**:

- **ICT products, e.g. projectors:** As part of the new framework contract for projectors (2012-2016), social criteria in the production chain were considered for the first time. This involved questions in the tender procedure to bidders on the working conditions of the manufacturers as well as on whether and how the manufacturer/ supplier considers social issues of the workers. These criteria have been included as award criteria (valued not obligatory criteria, so called B-criteria) and information given can serve as material for assessment at award stage. At this early stage, however, there has been very little information provided by the bidders and information on the manufacturers has not been provided at all.

The International Development Department monitors the development of SRPP in this area and evaluates which social criteria are appropriate to be integrated in the tender process in the long term. Social criteria will further be regarded for new framework contracts for all hardware products.

## C. LESSONS LEARNED AND FUTURE PLANNING

From Munich's perspective, there is a lack of effective and verifiable monitoring mechanisms to ensure the implementation of core ILO Conventions. It is difficult for the Municipality itself to conduct such monitoring exercises with suppliers, due to time and resource constraints and a lack of capacity. Therefore, the use of labels with their own existing verification systems is seen as a means to ensure that compliance with social criteria is genuine.

Munich sees the establishment of product-related criteria, which the suppliers can be asked to comply with, as being especially important. ICT product categories in particular are perceived to be lagging behind and creating a barrier to SRPP. In Munich's experience ICT suppliers are currently not able or not willing to provide appropriate information, so it seems necessary to take a step backwards and hold talks with suppliers to raise awareness and get feedback.

### Future planning

The establishment of product-related criteria, presented as a set of minimum standards (technical specifications, minimum requirements) is still needed.

One future aim is to help drive SRPP in publicly-owned companies, associated companies and government-funded organisations.

<sup>12</sup> For a detailed analysis from a legal and practical perspective on the use of self-declarations, please read the [LANDMARK legal guide](#) (cf. footnote 2 above).



Image: flickr / alles banana

Grant guidelines of two departments will be designed to complement the existing mandatory compliance to criteria stipulating the avoidance of child labour.

The social department will work towards raising awareness amongst organisations commissioned to carry out work for public authorities. The results shall be evaluated and it will be decided upon whether and how the procedure can be applied by other departments.

There will be targeted activities organised and hosted by the City in collaboration with civil society groups and networks in order to raise awareness amongst the local community about working and trading conditions around the world. There will also be active participation in campaigns for the further uptake of fair trade principles.

## D. CONCLUSION AND RECOMMENDATIONS

### Conclusion

Munich has short and long-term solutions planned to improve SRPP. Due to the heterogeneous response by the market according to product category, it is currently not possible to apply rigorous criteria in all tenders for all goods and services. Existing instruments like certification and labels are therefore used for some product groups, whereas award criteria are used for other, less advanced categories.

Civil society organisations have supported the progress made by the City by campaigning and raising public awareness of issues surrounding social responsibility in supply chains.

### Recommendations

The City of Munich shows that installing a working system for the verification of social criteria along the supply chain of various products and services needs the establishment of a support unit providing the procurement departments with the latest criteria and verification schemes.

Entering into dialogue with the market and setting up multidisciplinary teams working together across the departments will be the success factor for implementing policy goals and objectives, as established in December 2011. Another important recommendation is to regularly study market readiness to supply the required products and services. It is fundamental to establish a continuous communication process with potential suppliers on social criteria and labour conditions within the production and supply chain, to raise their awareness about problems but also to provide possible approaches to tackle these.

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## Municipality of Zurich, Switzerland

# CASE 5: THE CITY OF ZURICH'S APPROACH: A mixed approach: The use of Codes of Conduct and certificates

**NB:** The reader should bear in mind that Switzerland is not an EU Member State and therefore is not obliged to comply with EU Procurement Directives. Especially in this case, it is therefore recommended that any public authority should seek legal advice if intending to replicate any measures put in place by the City of Zurich.

## A. BACKGROUND

Due to its decisive position within the market, with a budget of about 1.2 billion Euros a year, the City of Zurich realises the potential of adapting a strategy of procurement that takes proper account of economical, ecological and social aspects.

Achieving sustainability has been on Zurich's political agenda since 1998. The City of Zurich has a procurement policy committing itself to sustainability which was authorised in November 2007 and declared as obligatory for all departments, divisions of the City and procurement bodies. According to this commitment, the City of Zurich aims to achieve consistent and sustainable procurement practices and act as a fair, reliable and influential component of the procurement market.

A new policy for social sustainability was released in March 2010 by the City Council to close gaps in the social dimensions of procurement. This policy is a supplement to the existing procurement commitment and strategy and regulates the social dimensions. It implies clear regulations for compliance with legal requirements and minimum standards. The policy is accompanied by the City's stipulating of fair trade products and other forms of socially responsible production within Switzerland.

The topic of fair trade is deeply connected with the financial commitment of Zurich to foreign and development aid. Therefore the City aims to contribute using its procurement policies, to improving working conditions in developing countries and promoting fair trade criteria.

The responsible body with lead function for the procurement policies is the Procurement Coordination Department, which is part of the Finance Directorate. Part of their role is to decide upon the classification of products as high risk groups. Other bodies which are intensively included in the work on SRPP are the departments in charge of health and environmental protection and the devolved procurement sections of all the different departments.



**Code of Conduct,  
 Certificates and Self-  
 declaration**

**Product Groups: All**

**High Risk Group:  
 Natural Stones**

### MILESTONES

- 1998 The target of achieving sustainability is outlined in Zurich's political agenda
- 2006 A strategy how to systematically include fair trade products is developed
- 2007 Procurement concept for sustainability is authorized and been declared as obligatory for all departments and divisions of the City.
- 2008 In a tender for the "IT in the workplace 2008" the requirement for compliance with the ILO core conventions is integrated
- 2010 The "procurement policy on social sustainability" is introduced
- 2011 A pilot project of purchasing certified natural stones (October 2010 – October 2011) is carried out

## B. THE APPLICATION OF VERIFICATION AND MONITORING SCHEMES

The procurement bodies have to ensure contractually, that working and safety conditions as well as equal treatment of men and women are complied with. This is a mandatory requirement for the award of the contract. A tiered approach is applied according to the place of production or service provision:

- For goods produced and services carried out within Switzerland the following rules have to be complied with: the rules of equal treatment for men and women, effective health and safety regulations and Swiss working laws and regulations.
- Non-Swiss companies or those whose production is abroad must comply with laws and regulations at the place of accomplishment and prove at least compliance with the core ILO Conventions.
- In addition the City of Zurich defines minimum standards or requirements for specific product high risk groups, which require extra monitoring.

To oblige contractual partners to comply, the following instruments are applied: the general terms and conditions, a Code of Conduct and a self-declaration form.

The **general terms and conditions** of supply to the City of Zurich have been revised according to their policy; they form the basis of the contract and include:

- Effective health and safety regulations, working conditions and equal treatment of men and women have to be followed at the place of service provision.

- If the product is produced in a foreign country, the laws and regulations at the place of service provision have to be followed. In any case the core ILO Conventions at least, have to be met.
- The contractual partner assures that its suppliers and subcontractors meet the requirements mentioned above.
- If any of these process principles are not met, the contract can be cancelled at any time and future orders can be abandoned immediately. Additional legal measures remain reserved.

During the tender procedure (open or selective ones), **Code of Conduct and self-declaration form** are used. Bidders must fill in and sign a general self-declaration form with information on their company profile, in which they state their compliance with the Code of Conduct. If information is not provided, this leads to the exclusion of the bidder. If subcontractors or further suppliers are involved, they themselves have to fill out a separate self-declaration form.

After contract award, suppliers have to hand in the signed Code of Conduct itself.

This **Code of Conduct** includes occupational safety regulations, working conditions and the equal treatment of men and women. Within this document, the supplier declares not only full compliance, but also that

- the Municipality of Zurich as well as any commissioned, external body can request proof of compliance with the Code of Conduct by the contractual partner at any time
- he/she guarantees adequate measures and ensures that sub-contractors and suppliers note and comply with the Code of Conduct of the City of Zurich
- the City of Zurich as well as any commissioned, external body can examine the appliance of the regulations of the Code of Conduct by the contractual partner and also its subcontractors and suppliers at any time.

For procedures other than the open or a selective tender, e.g. a single tender action or a tender invitation procedure, the Code of Conduct and self-declaration form can be agreed to by contractual partners on a voluntary basis.

For specific product groups further declarations can be stipulated. If those requests mean significant changes in costs or restraints for offers, the City Council has to make the decision on a case by case basis.

For specific **high risk product groups**, bidders must provide an internationally recognised **certificate** prior to the contract award, which proves compliance with the minimum requirements (i.e. core ILO labour standards). If necessary, the supplier must prove compliance with further requirements or outline the necessary improvements with a well-defined process and schedule. A list of approved certificates is maintained by the Municipality.

Thus **natural stones** have been classified as a high risk product group in May 2010. A pilot project for their procurement has been carried out by the



Image: sxc / Benjamin Enwicker

Department of Civil Engineering. It has proven to be feasible and achievable within the procurement process. Bidders have to state the origin of their natural stones in an extra declaration. In addition, they have to sign the Code of Conduct. For stones from quarries outside of Europe, an internationally recognised certificate has to be handed in before the contract award takes place. In individual cases compliance with the core ILO Conventions can also be proven by a recognised external audit.<sup>13</sup> If there is no information provided or no verification by certificates or audit, the bidder's offer will be excluded from the process. Possible further sanctions are the same as for other products, which means a possible exclusion from future tender processes up to five years and possible claims for compensation. Based on the experiences of the pilot phase a city-wide implementation is currently being prepared, which includes products used for buildings and graveyards.

### Monitoring

As a general rule, **examination or inspection** of compliance with the minimum requirements (core ILO Conventions) on production sites are foreseen only in cases of reasonable suspicion during the contract period. This can take the form of the City of Zurich arranging an external audit, which has to be paid for by the contract partner. For this to occur it is necessary that there is plausible information that the directive on social sustainability has been violated. The decision has to be made by the devolved procurement department together with the strategic procurement department. To date no such audit was ordered.

For the **monitoring of wage equality** between men and women Switzerland has an electronic programme called "Logib", which enables a simple check of equal wages in companies. Since 2009 the office for the equal treatment of men and women has monitored the compliance of equal wages of suppliers for the state of Switzerland. The municipality of Zurich is planning to explore whether it can use the instrument itself for monitoring their suppliers.

For natural stones **random controls** are used to test if all stones on construction sites have the relevant label (fair stone). This is done along with random checks for particle filters and working standards that are conducted as a matter of course.

## C. LESSONS LEARNED AND FUTURE PLANNING

### Future planning

A gradual expansion of products treated as high risk, including sports balls and textiles, is foreseen for the future.

Fairly traded products will also be promoted across the municipality as a complementary strategy. The use of fairly traded products will not be enforced, but the relevant people will be encouraged to consider such products as far

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<sup>13</sup> For a comprehensive review of the external audit scheme applied throughout Switzerland, please read pages 35-41 of the [LANDMARK legal guide](#) (cf. footnote 2 above).

as possible in their procurement process to help increase their share of the market.

The strategy is based on products that are verifiable in accordance with the European Parliament resolution on Fair Trade and Development and have a certification according to Fair Trade Labelling Organisations (FLO).

Specific recommendations for the procurement of fairly traded products are that:

- All employee cafeterias should consider as many fairly traded products in their assortment as possible. One cafeteria already offers fair trade tea, juice and bananas and sells only fair trade coffee.
- Flowers should be purchased from a producer providing flowers that would comply with the criteria of the FLO label (or equivalent). To date, two departments are now buying respective flowers.
- Working clothes should generally be bought from producers with high social standards e.g. certified by Social Accountability 8000 (SA 8000) or an alternative fair trade standard. Two departments already buy t-shirts that comply with the criteria of SA 8000.
- The range of official business gifts should contain fair trade products.

To encourage the purchase of such products, Zurich's procurement coordination department communicates regularly on the topic, both internally and externally, e.g. via the Procura<sup>+</sup> Sustainable Procurement Campaign<sup>14</sup>.

## D. CONCLUSION AND RECOMMENDATIONS

### Conclusion

The City of Zurich believes that with the implementation of the three methods mentioned, combined with the possibility to define additional requirements for high risk product groups and the possibility for an external audit in case of suspicion, the demands for social sustainability within procurement can be accommodated.

The City is still at a relatively early stage of the process in terms of dealing with high risk product groups such as work wear and Information and Communication Technologies (ICT). According to demand and the development of production and procurement markets, it will be necessary for Zurich to classify further product groups under this status.

Important and very positive aspects of Zurich's approach include the fact that staff receive regular training and that there is a contact point for procurement personnel concerning the implementation of the Directive as well as the application of the aforementioned instruments.

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<sup>14</sup> Cf. <http://www.procuraplus.org>

### **Recommendations**

Although it is important to consider social criteria in all product groups, it can be expedient to make the distinction between groups and identify those with an increased need for monitoring. For these product categories a more strict verification and monitoring scheme should be applied. The auditing of certificates as well as the material on construction sites is essential to ensure compliance.

Staff training and a unit with an advisory function for procurement personnel are both seen as fundamental to bringing the issue of verification and monitoring of SRPP forward.

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The policy for social sustainability and the three instruments (in German) are available online at: [http://www.stadt-zuerich.ch/fd/de/index/das\\_department.html](http://www.stadt-zuerich.ch/fd/de/index/das_department.html) > Departementssekretariat/Aufgaben > Beschaffungskoordination > Beschaffungsrichtlinien

### 3 CONCLUSIONS

This collection of current practice illustrates that some municipalities are well on their way towards achieving reliable verification of the social criteria that suppliers are asked to meet. The authors would like to encourage other authorities to follow the same path. Embarking on this process will not be without its challenges, but as this guide demonstrates, opportunities do exist to make progress towards this fundamentally important cause.

Establishing verification schemes always starts with defining criteria for a social responsible production of the goods and building upon those by finding appropriate instruments to ensure that criteria are met. Code of conducts, bidder-declarations, the use of labels and certification schemes, follow-up questionnaires and external audits or inspections are tools that may be selected and combined to create an effective overall strategy.

One crucial point in SRPP is the monitoring of compliance, with what companies declare they will do or are doing in regard to social criteria and – even more challenging – compliance also of subcontractors and suppliers along the supply chain. This is a question of time, budget and personnel resources. But as can be seen in the examples and also in the LANDMARK legal guide on Verifying Social Responsibility (cf. footnote 2) there are ways of overcoming these difficulties and finding appropriate solutions. We have seen that establishing long-term cooperation between municipalities and pooling resources is one such solution.

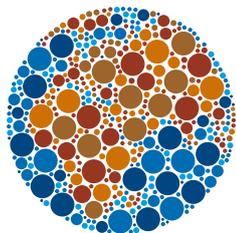
Increasing the number of public authorities, and particularly associations of public authorities, that show their commitment to SRPP by asking more of their suppliers, will encourage companies to enhance their working practices. Often the same companies supply different municipalities, so taking a united approach would be a very positive way of driving the market. Could contribute to improve some of the worst working conditions around the world.



Essential points which can be drawn from these practice examples are:

- Cooperation between public authorities and within public authorities strengthens SRPP.
- Monitoring and following-up on the practice of the suppliers is essential for a successful implementation.
- Constructive and motivating work with suppliers, keeping them well informed and ensuring their participation supports the uptake of SRPP.
- The mainstreaming of approaches to verification schemes by a public authority helps inform and drive the market more effectively.
- Establishing of a support unit and contact point for procurement personnel within the public authority is essential to implement an overall strategy.

The LANDMARK consortium hopes to encourage as many local authorities as possible to use the outlined approaches. If you would like to share your experiences with the application of verification schemes or would like to get further support, please contact [procurement@iclei.org](mailto:procurement@iclei.org).



# THE LANDMARK PROJECT

MOVING TOWARDS  
SOCIALLY RESPONSIBLE  
PROCUREMENT

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## PROMOTING FAIR WORK CONDITIONS ALONG THE GLOBAL SUPPLY CHAIN

The LANDMARK project, running from April 2011 until March 2014, aims to enable European local authorities to act as key drivers for the promotion of fair working conditions in global supply chains for certain products purchased by the European public sector.

By changing the consumption patterns of public authorities, the living and working conditions of workers in Asia and parts of Sub-Saharan Africa, particularly those in the textiles, food, construction and electronics sectors will dramatically improve.

The LANDMARK project is an international project co-funded by the European Union (Programme Non-State Actors and Local Authorities, managed by EuropeAid) and is formed on the basis of a partnership between seven European organisations including cities, municipalities, national and international expert organisations.

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