

BACKGROUND

Current Sustainable Procurement Policy

The City's Sustainable Procurement Policy was first developed in 2008, with slight modifications made in 2010. This is the first significant update to the Policy. While still an emerging field, a lot has changed in sustainable procurement since 2008, with the development of international guidance ([ISO 20400 – 2017](#)), a robust community of practice through organizations like the [Sustainable Purchasing Leadership Council](#) (SPLC) and the [Responsible Purchasing Network](#), and increasing product life-cycle research and impact assessment tools.

Since this update is a complete re-work of the City's Sustainable Procurement Policy, this draft is not a mark-up of the existing Policy (no "track changes"). To view the current Policy, go to: <https://www.portlandoregon.gov/shared/cfm/image.cfm?id=204110>.

2017 Strategic Planning and Stakeholder Comments

In 2017 Procurement Services hired the consulting firm Context for Action to work with Sustainable Procurement Program staff to develop the Program's first [Strategic Plan](#). During the planning process, one of the key pieces of feedback from internal City stakeholders was the need to update the Policy. Below are key pieces of internal stakeholder feedback regarding what they want to see from an updated Policy.

1. Consolidation – There are too many sustainable procurement related policies. Consolidate under one Policy to the extent possible. >>> update response: *baseline and emerging best practices*
2. Clear Expectations – The policy needs to set clear expectations for Sustainable Procurement – of the program and of City staff. >>> update response: *roles and responsibilities section*
3. Clear Guidance – Need for clear guidance/direction, but with enough flexibility to accommodate different jobs and approaches to how we get things done. >>> update response: *guiding principles, best practices, roles and responsibilities section. This policy update will be combined with an overhaul of the employee sustainable procurement website that will house additional guidance details and tools, and a new sustainable procurement communications plan for ongoing engagement.*
4. Prioritization – Need to know how to prioritize the vast possibilities of making a product/service more sustainable. >>> update response: *guiding principles, best practices, prioritization section (plus subsequent tools)*
5. Measure progress and report back – Bureaus need to know how they are doing and what is/is not working. >>> update response: *metrics and reporting section*
6. Authorization to Act – Confirmation that sustainability is a City value and we should reflect that in our purchase decisions. >>> update response: *bring update before Bureau Directors and City Council for approval*

More about Item Number 1: Consolidation

Over the years the City has adopted a variety of resolutions/policies that address specific topics or issues related to sustainable procurement. For example, the Sustainable Paper Use Policy specifically talks about buying recycled content paper, buying duplex capable office equipment, etc. However, mandates like these align well with sustainable procurement best practices, and do not necessarily need their own policy. Also, it is challenging to educate and communicate with employees about multiple sustainable procurement related resolutions and policies, as opposed to one. Thus, in response to internal stakeholder feedback, as part of this update to the Sustainable Procurement Policy, we are proposing to retire those resolutions/policies that can be easily incorporated into the Sustainable Procurement Policy. This is primarily being done through capturing existing mandates (e.g. buy recycled

content paper) in the new “best practices” section of the Policy. Also, to be able to more readily accommodate future issues/best practices, a “continuous maintenance” concept/section is included in the Policy update. Those resolutions/policies proposed for “retirement” are listed below, with corresponding information on where their mandates are incorporated into the Sustainable Procurement Policy update. Opportunities to comment on this consolidation proposal are contained in the [accompanying feedback survey](#) (which closes April 30th).

Sustainable Paper Use Policy

- See Section 6, Baseline Best Practices, Greenhouse Gas Emissions: #3, #4, #11.

Sweatshop Free Procurement Policy

- See Section 6, Baseline Best Practices, Supplier Diversity and Fair & Safe Supply Chains: #2
- Also note that the Code of Conduct for Apparel Manufacturers will be included as an Attachment to the updated Sustainable Procurement Policy. Associated Administrative Rules will remain in place, but be updated to reference the Sustainable Procurement Policy. Online resources for City employees and contractors will reference Administrative Rules, the Code, and the Sustainable Procurement Policy.

Healthy Purchasing Initiative

- See Section 6, Emerging Best Practices, Toxics Reduction: #1, #2

Toxics Reduction Strategy

- See Section 6, Baseline Best Practices, Toxics Reduction: #1, #2, #3, #4, #5, #7
- See Section 6, Baseline Best Practices, Greenhouse Gas Emissions: #5, #11
- See Section 6, Emerging Best Practices, Toxics Reduction: #3

Conflict Minerals Resolution

- See Section 6, Emerging Best Practices, Supplier Diversity and Fair & Safe Supply Chains: #1

FEEDBACK

Please provide feedback on this draft Policy via the following survey: <https://www.surveymonkey.com/r/HR6VBMP>
(survey available through April 30, 2018)

City of Portland Sustainable Procurement Policy – UPDATE
WORKING DRAFT FOR EXTERNAL REVIEW
April 17, 2018

1. Purpose

In accordance with the City of Portland Sustainable City Principles [1994, 2015] the City of Portland [the City] recognizes that:

1. the products and services the City purchases have inherent social, human health, environmental and economic impacts;
2. the human health, environmental, social and economic impacts of products and services occur throughout their [life cycle](#) and throughout the associated supply chains;
3. the City can leverage its purchasing to reduce adverse impacts throughout product or service life cycles and influence positive change within markets and communities; and
4. by understanding and taking responsibility for the full, life cycle impacts and costs of goods and services associated with City purchases, the City reduces risk, practices fiscal responsibility, reduces adverse social and environmental impacts, and contributes to sustainable development in general.

As such, the City is committed to understanding and taking appropriate responsibility for the impacts of its purchasing by:

1. establishing this [Sustainable Procurement](#) Policy to guide purchasing decisions at the City;
2. integrating [sustainable procurement best practices](#) established by this Sustainable Procurement Policy and subsequent sustainable procurement resources into the City's procurement processes and decision making; and
3. maintaining a Sustainable Procurement Program adequate to support purchasing decision makers at the City and to facilitate compliance and continuous improvement.

2. Applicability

This policy applies to all City employees. Specific roles, responsibilities, and expectations are further described within this policy.

3. Policy Statement

All City employees shall utilize the City's [sustainable procurement guiding principles](#) and follow [sustainable procurement best practices](#) when planning and designing projects, developing project and operations budgets, developing asset management plans, writing product and service specifications or standards, selecting materials, making purchasing or supplier decisions, and developing and managing City contracts and price agreements as applicable to their [roles and responsibilities](#) and/or to a specific project. In doing so, City employees shall strive to reduce adverse social, human health, and environmental impacts associated with City purchases while maintaining fiscal health, both in the short and long-term.

4. Sustainable Procurement Goals

1. Reduce adverse social, human health, and environmental impacts associated with City purchases while maintaining fiscal health, both in the short and long-term.
2. Contribute to market transformations that foster sustainable development in general.
3. Support City 2030 Environmental Performance Objectives and related City sustainability policies such as the Climate Action Plan and Green Building Policy.

The above goals may be updated in between policy revisions per the [continuous maintenance process](#).

5. Sustainable Procurement Guiding Principles

1. [Everything is Connected](#). All life depends on healthy natural systems. Humanity depends on vibrant and fair social systems. Our purchasing decisions impact these systems on all levels.
2. [Conserve](#). Reuse first. Buy only what we need second. Acknowledge real limits of natural resources.

3. Think in 3D. Consider all 3 dimensions—environmental, social, economic—when evaluating options. Look for hidden costs to people and planet not included in price.
4. Take a Life Cycle Perspective. All purchases have impacts over the life of the product or service. Think about long-term costs to people, planet, and the City.
5. Provide Fair Opportunities. Ensure suppliers have a full and fair chance to compete. Promote transparency in decision making and actively mitigate bias.
6. Ensure Health and Safety. Take precautions. Avoid toxins that recirculate in air, water, soils and materials to harm people and animals.
7. Uphold Accountability. Reinforce responsibility and [ethical behavior](#) throughout our supply chain, upstream and downstream.
8. Support Innovation. Increase demand and build market capacity for sustainable solutions. Change the status quo for the better.
9. Full Integration. Utilize [3D](#) thinking in all planning, purchasing, and contract management practices. Respect interests of all stakeholders.
10. Lead the Way. Seek continuous improvement and collaborate with other agencies to make a positive difference. Together, many small actions add up to big change.

6. Sustainable Procurement Best Practices

The following sustainable procurement [baseline](#) and [emerging](#) best practices are procurement practices derived from historical City sustainability policies and/or reputable sustainable procurement research and guidance. These best practices may be updated in between policy revisions per the [continuous maintenance process](#). Implementation tools and specific guidance for these best practices shall be provided through the Sustainable Procurement Program.

Baseline Best Practices

Baseline best practices represent sustainable procurement processes, decisions, methodologies, or actions that should be incorporated into City purchasing activities by default (“how we do business”).

Greenhouse Gases (GHG) Emissions Reduction

1. Procure products that meet or exceed [ENERGY STAR](#) criteria for energy efficiency as available.
2. Invest in energy efficient products, services and technologies that result in simple paybacks of ten years or less.
3. Specify and buy recycled content products with as high post-consumer waste content as possible while meeting responsible performance specifications; including packaging and shipping materials. Key materials to target for recycled content include paper, plastics, metals, asphalt, and concrete.
4. Specify and buy office paper products that meet Printing & Distribution’s environmentally responsible paper standards.
5. Invest in highly fuel-efficient and [low carbon fueled](#) fleet vehicles and equipment, following an “electric first” strategy. Include installation of electric charging stations where appropriate. Bureaus are responsible for metering electricity fuel use for tracking purposes.
6. Specify and buy reusable, refillable, and readily recyclable products, including packaging and shipping materials. Invest in processes, technologies, products, or services that reduce waste.
7. Invest in on-site renewable energy technologies at applicable City-owned facilities as defined by the City’s Green Building Policy.
8. Purchase renewable energy for City electricity use.
9. Ensure architectural, engineering, and related design services deliverables incorporate City green building and green infrastructure policies and practices.
10. Support the use of regional, sustainably sourced wood products for City owned building and landscape projects.
11. Invest in processes, technologies, products, or services that reduce consumption of natural resources or chemicals.
12. Avoid the use of aerosol cleaning products and canned air products.
13. Avoid the use of bottled water; support access to bottle-fill tap water stations.

Toxics Reduction

1. Seek out and utilize processes, technologies, services and products that reduce exposure of Substances of (Very) High Concern ([SVHCs/SHCs](#)) to people and the environment. Follow the [Precautionary Principle](#) when evaluating the comparative toxicity of processes, products, or services.
2. Specify and utilize interior finishes (paints, flooring, furniture, etc.) that meet third-party leadership standards for less-toxic and low-emitting products.
3. Specify and utilize interior cleaning and maintenance products that meet third-party leadership standards for less-toxic and low-emitting products, including products used by contractors who clean and maintain City facilities. Specify and utilize least-toxic disinfectants and use disinfectants judiciously.
4. Specify and utilize electronics products that meet third-party leadership standards that include mandates for reducing/eliminating SVHCs/SHCs. Specify and utilize electronic recyclers that meet third-party leadership standards for responsible electronics recycling.
5. Use effective and progressive integrated pest management strategies to minimize reliance on pesticides of concern and to ensure careful screening of products, their use, and potential impacts.
6. Do not use, or permit the use of, neonicotinoid or neonicotinoid-like, systemic, persistent pesticides on City property, including public rights-of-way.
7. Do not use exterior materials containing zinc, copper, arsenic, or other materials that can contaminate stormwater and are toxic to aquatic life.
8. Utilize vegetable-based oil, food-grade oil or other environmentally comparable vehicle/equipment oil products, where available, and biodegradable hydraulic fluids.

Supplier Diversity and Fair and Safe Supply Chains

1. Seek out and utilize State certified [DMWESB](#) and [SDVB](#) contractors.
2. Purchase apparel products from manufacturers that comply with the City's Code of Conduct for Apparel Manufacturers and disclose the apparel product's point-of-assembly factory locations.

Sustainable Procurement Tools/Multi-Purpose

1. Specify and select products and services independently certified to reputable third-party environmental and/or social product standards, preferably multi-attribute standards that evaluate products along their entire life cycle.
2. Whenever possible, utilize [life cycle costing](#) methods to determine the full cost of a product, service or design.
3. Utilize strategic procurement methodologies to obtain the best value while advancing sustainable procurement. Applicable strategic procurement methodologies include, but are not limited to: spend consolidation (focusing solicitations only on sustainable procurement products/services); aggregation (leveraging collective purchasing power); standardization (reducing product variety); [servicizing](#); or negotiating for innovation (supplier engagement).

Emerging Best Practices

Emerging best practices represent practices that are desirable for the City to engage in and develop, but to due to nascent data, technologies, standards, or processes require pilot testing and/or a longer timeframe for widespread implementation.

GHG Emissions Reduction

1. Request life cycle product environmental impact data through Environmental Product Declarations (EPDs). Use EPD data among like products to identify and select options with lower life cycle impacts. Key materials to target for product-specific EPDs include concrete and other GHG or water intensive products.
2. Specify low-carbon professional and technology services.
3. Specify fuel-efficient and low-carbon transportation, distribution and delivery services.
4. Foster [circular economy](#) models for products by supporting manufacturer take-back, leasing, and similar practices.

Toxics Reduction

1. Request product ingredient and hazard screening assessment disclosure from manufacturers. Use screenings to identify and select products and substances that do not contain or generate SVHCs/SHCs, asthmagens, or respiratory irritants throughout their life cycle.
2. Ensure architectural, engineering, and related design services incorporate material screening and selection requirements that reduce the use of products/materials containing/generating SVHCs/SHCs, asthmagens, or respiratory irritants throughout their lifecycle.
3. When utilizing plastic-containing products, seek plastics that involve the fewest SVHCs/SHCs during the manufacturing process and within the final product.

Supplier Diversity and Fair and Safe Supply Chains

1. Request [conflict minerals](#) reporting from applicable electronics manufacturers detailing their due diligence activities to source conflict-free 3TG. Utilize due diligence information to support the development and purchase of conflict-free products.

Sustainable Procurement Tools/Multi-Purpose

1. Evaluate and engage contractors on their company and supply chain sustainability practices and performance based on international conventions/declarations and industry best practices, including labor, governance and ethics. Seek continuous improvement.

7. Sustainable Procurement Prioritization Strategies

The Sustainable Procurement Program shall develop a sustainable procurement prioritization toolkit or similar guidance for City employees to help maximize fiscally responsible “high value, high impact” actions. Prioritization guidance shall be based on City spend analysis and operational contexts and:

1. Reinforce [baseline sustainable procurement best practices](#) as common practice; and/or
2. Target [emerging sustainable procurement best practices](#) for high impact opportunities; and/or
3. Target improvement of life cycle product/service-specific impact hot spots, with a focus on:
 - a. Reducing [greenhouse gases](#) (GHGs); or
 - b. Preventing or otherwise reducing exposures to [SVHCs/SHCs](#); or
 - c. Fostering and integrating [supplier diversity](#) throughout the supply chain; or
 - d. Supporting safe and fair labor practices and [ethical behavior](#) throughout the supply chain.

Sustainable Procurement Program initiatives shall also be developed utilizing this prioritization approach.

This section may be updated in between policy revisions per the [continuous maintenance process](#).

8. Roles and Responsibilities

Policy outcomes depend upon collaborative action. City employees determine sustainable procurement success as they carry out their roles at/with the City. The following outlines expectations and how different roles contribute to sustainable procurement at the City.

All City Employees

Within your scope of work:

- When analyzing the need for specific goods or services, consider what alternative options might exist to deliver the same outcome in a better way, utilizing the [sustainable procurement guiding principles](#) and related tools
- Select goods and services following [sustainable procurement best practices](#) and resources
- Reference and utilize Sustainable Procurement Program tools and resources
- Contribute to sustainable procurement targeted data collection and reporting, as requested
- Seek opportunities for sustainable procurement training

Elected Officials and City Budget Director

- Incorporate sustainability assessments into the budget review process to support and advance Sustainable City Principles, City Environmental Performance Objectives, sustainable procurement, and related core sustainability policies

Chief Procurement Officer

- Maintain a Sustainable Procurement Program with dedicated staff and resources
- Ensure Sustainable Procurement Program viability through adequate staffing, funding, and resource allocation to fulfill the Sustainable Procurement Policy, program expectations, and continuous improvement
- Seek opportunities for sustainable procurement to align with and complement other City programs and initiatives
- Seek opportunities to foster and support inter-bureau collaboration that facilitates sustainable procurement practices
- Advocate for and integrate [sustainable procurement guiding principles](#), [best practices](#) and policy mandates in City procurement processes and initiatives
- Include sustainable procurement and related sustainability policies in employee trainings; support employee continuing education related to sustainability
- Integrate sustainability into Procurement teams' objectives and job descriptions
- Support the sustainable procurement community of practice through professional associations and networking

Sustainable Procurement Program Staff

- Provide sustainable procurement subject matter expertise to City employees
- Conduct sustainable procurement related research and maintain knowledge of current best practices
- Develop and maintain sustainable procurement processes, tools and resources for City employees and applicable external stakeholders
- Collaborate with internal stakeholders to ensure key price agreements and contracts incorporate [sustainable procurement best practices](#) and City sustainability policy mandates
- Develop and maintain sustainable procurement communications with internal and external stakeholders
- Provide sustainable procurement education and training for City employees and applicable external stakeholders
- Facilitate strategic sustainable procurement pilot tests and implementation initiatives
- Facilitate sustainable procurement collaboration among City bureaus
- Participate in Citywide sustainability committees and/or initiatives aligned with the Sustainable Procurement Program
- Report on Sustainable Procurement Program activities and performance
- Oversee sustainable procurement contractor compliance, as applicable and within Program capabilities
- Develop and maintain Sustainable Procurement Program administrative resources
- Contribute to the regional, national, and international sustainable procurement community of practice

Bureau Directors

- Support utilization of the [sustainable procurement guiding principles](#) during project planning, contract/purchase decisions, and standards/specifications development
- Include [sustainable procurement best practices](#) and policy mandates in project, program, and operations expectations
- Integrate sustainability into bureau teams' objectives and job descriptions
- Ensure project, program, and operations budgets enable City [sustainable procurement best practices](#) and policy mandates
- Support and encourage employee initiatives related to sustainability and innovation
- Support sustainable procurement targeted data collection and reporting
- Support inter-bureau collaboration and coordination that facilitates sustainable procurement and related process efficiencies
- Include sustainable procurement and related sustainability policies in employee trainings; support employee continuing education related to sustainability

- Support staff time contributing to sustainable procurement initiatives and pilot projects

Procurement Services and Bureau Procurement Staff

- Review solicitations and procurements for [sustainable procurement best practices](#)
- Initiate conversations and work with Bureau staff to incorporate [sustainable procurement best practices](#) and related City sustainability mandates into solicitations, contracts, and price agreements
- Collaborate with Sustainable Procurement Program staff, including coordinating education of bureau contacts and contractors on sustainable procurement practices and assisting with data collection, compliance and monitoring
- Reference and utilize Sustainable Procurement Program tools and resources
- Seek opportunities for sustainable procurement training
- Support the sustainable procurement community of practice through professional associations and networking

City Planners, Policy, Program and Operations Managers

Within your scope of work:

- Utilize the [sustainable procurement guiding principles](#) and [best practices](#) during planning, policy, standards, and process development
- Seek opportunities for and implement inter-bureau collaboration that advance City sustainability and sustainable procurement principles
- As opportunities arise, update and realign policies, processes, or practices to advance City sustainability and sustainable procurement principles
- Plan and advocate for budgets that support City [sustainable procurement best practices](#) and policy mandates
- Include sustainable procurement and related sustainability policies in employee trainings; support employee continuing education related to sustainability
- Support/Facilitate contractor sustainability education and practices
- Support staff time contributing to sustainable procurement initiatives and pilot projects

City Project Managers and Design Professionals (e.g. Architects, Engineers, Landscape Architects)

Within your scope of work:

- Utilize the [sustainable procurement guiding principles](#) and [best practices](#) during project planning and development and when revising standard drawings, details and specifications
- When analyzing the need for specific goods or services, consider what alternative options might exist to deliver the same outcome in a better way, utilizing the [sustainable procurement guiding principles](#) and related tools
- Incorporate [sustainable procurement best practices](#) and [prioritization strategies](#) into project design, contractor and material/product specifications and selection
- Reference and utilize Sustainable Procurement Program tools and resources
- Plan and advocate for project budgets that support City [sustainable procurement best practices](#) and related sustainability mandates
- Engage project contractors, consultants, suppliers, volunteers, or other City staff on [sustainable procurement guiding principles](#) and [best practices](#)
- Contribute to sustainable procurement targeted data collection and reporting, as requested
- Seek opportunities for sustainable procurement and profession-specific sustainability training

9. Policy Compliance

City employees are responsible for complying with this policy, utilizing applicable Sustainable Procurement Program tools and resources, and providing targeted sustainable procurement data as requested.

As outlined in the [Sustainable Procurement Metrics and Reporting](#) section, the Sustainable Procurement Program shall track KPI data at the bureau level to the extent possible to facilitate feedback to bureaus on sustainable procurement

performance. The Sustainable Procurement Program shall also develop other feedback loops for bureaus to convey effectiveness of sustainable procurement specifications, processes, and program resources. The Sustainable Procurement Program shall seek opportunities to incentivize compliance with this policy through recognition, process improvements, or other strategic methods.

10. Sustainable Procurement Metrics and Reporting

The following metrics and reporting requirements shall encourage continuous improvement and may be updated in between policy revisions per the [continuous maintenance process](#).

For each of the following prioritized impact areas, the Sustainable Procurement Program shall develop at least one [Key Performance Indicator](#) (KPI) related to the [sustainable procurement goals](#). As sustainable procurement data capabilities and sustainable procurement resources advance, the Sustainable Procurement Program shall develop additional KPIs.

Prioritized Impact Areas

- Greenhouse Gas Reduction
- Toxics Reduction
- Supplier Diversity
- Fair and Safe Supply Chains

To the extent possible, the Sustainable Procurement Program shall develop and track KPI data at the bureau level to facilitate feedback to bureaus on sustainable procurement performance.

To facilitate continuous improvement and process efficiencies, the City shall invest in sustainable procurement spend and impact data, life cycle costing, cost-benefit, and supplier evaluation tracking and reporting tools as best practices in sustainable procurement metrics and data capabilities develop.

The Sustainable Procurement Program shall report annually on the prioritized impact area KPIs and seek to increase reporting frequency and data access as applicable tools become available.

11. Policy Update and Continuous Maintenance Process

Policy Update Process

The Chief Procurement Officer and Sustainable Procurement Program staff shall periodically bring together stakeholders to review and update this policy.

Continuous Maintenance Process

Sections of this policy subject to continuous maintenance may be revised in between policy update cycles in order to incorporate new applicable initiatives, best practices, tools, capabilities and processes, and remove outdated references. Updates made to this policy through continuous maintenance will be posted on the Sustainable Procurement Program website and referenced as continuous maintenance updates, including the month and year the update was made. The continuous maintenance process shall be initiated by the Sustainable Procurement Program Manager. Proposed updates shall be reviewed by applicable stakeholders for input and refinement. Proposed updates shall be approved by an internal multi-bureau stakeholder group, such as the Procurement Services Bureau Liaison Group or equivalent. The Sustainable Procurement Program staff are responsible for making applicable updates to the Sustainable Procurement Program website, communications, resources, and tools resulting from the continuous maintenance process. Continuous maintenance updates shall occur no more frequently than once a year.

12. Definitions

The following definitions establish the meaning of key terms contained in this policy document.

3D: three dimensions. In a sustainable procurement context, 3D refers to the three dimensions of sustainability: environmental, social, and economic.

Certified DMWESB: Disadvantaged, Minority, Women, or Emerging Small Business as certified by the State of Oregon Certification Office for Business Inclusion and Diversity (COBID).

Certified SDVB: Service Disabled Veteran Business as certified by the State of Oregon Certification Office for Business Inclusion and Diversity (COBID).

Circular Economy: Economy that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles.¹

Conflict Minerals: Natural resources extracted in a conflict zone and sold to finance the fighting. According to U.S. legislation, conflict minerals include the metals tantalum, tin, tungsten and gold (3TG), which are the derivatives of the minerals cassiterite, columbite-tantalite and wolframite, respectively.

ENERGY STAR: The U.S. Environmental Protection Agency's (EPA) voluntary labeling program that identifies and promotes energy-efficient products and buildings based on routinely updated energy efficiency standards.

Ethical Behavior: Behavior that involves demonstrating respect for key moral principles including honesty, fairness, equity, diversity, and human rights.

Greenhouse Gases (GHGs): The atmospheric gases responsible for causing global warming and climate change. The major GHGs are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Less prevalent --but very powerful -- greenhouse gases are hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆).

Indicator: Measurable representation of the condition or status of operations, management or conditions.¹

Key Performance Indicator (KPI): demonstrates how effectively an organization is achieving success according to objectives; helps evaluate various functions and processes important to achieving goals.

Life Cycle: Consecutive and interlinked stages of a goods or services system, from "cradle to grave", e.g. from resource generation and raw material acquisition through production, use, and final disposal.

Life Cycle Costing (LCC): Method for calculating the costs of goods or services throughout their [life cycle](#).¹ It includes total cost of ownership (TCO) and positive or negative externalities which can be monetized, both to the City and to society.

Low Carbon Fuel: Transportation fuels with a lower carbon intensity (grams CO₂-equivalent per megajoule of fuel) as compared to conventional petroleum fuels such as gasoline and diesel. The most common low-carbon fuels are alternative fuels such as biodiesel, ethanol, and renewable diesel that can be used directly or blended with conventional petroleum fuels. Electricity, natural gas, and propane can also be considered low carbon fuels.

Precautionary Principle: A decision-making paradigm that promotes taking precautionary measures when an activity raises threats of serious or irreversible harm, even if some of the cause-and-effect relationships are not fully established.

Servicizing: Business practice where value is provided through a combination of product and service and where customer needs are satisfied by selling the function of the product rather than product itself and/or by increasing the service component of the offer. Pay-per-copy equipment leasing and car sharing services are common servicizing examples.

Substances of (Very) High Concern (SVHC, SHC): Substances that may have serious and often irreversible effects on human health and the environment. SVHC/SHCs are typically defined as those that have one or more of the following attributes:

- Persistent, Bioaccumulative and Toxic (PBT),
- very Persistent and very Bioaccumulative (vPvB),
- very Persistent and Toxic (vPT),
- very Bioaccumulative and Toxic (vBT), or
- known or likely to be:
 - carcinogenic,
 - mutagenic,
 - reproductive or developmental toxicant,
 - neurotoxicant or
 - endocrine disrupting.

Supplier Diversity: a proactive business program which encourages the use of minority-owned, women owned, veteran owned, LGBTQ-owned, service disabled veteran owned, historically underutilized business, and Small Business Administration (SBA)-defined small business concerns as suppliers.

Sustainability: State of the global system, including environmental, social and economic aspects, in which the needs of the present are met without compromising the ability of future generation to meet their own needs. The environmental, social, and economic aspects interact, are interdependent and are often referred to as the three dimensions of sustainability.¹

Sustainability Aspect: Aspect of a product or service or activity occurring within its [life cycle](#) that is responsible for positive or negative sustainability impacts. For example, air pollution from burning fossil fuels can occur throughout a product or service life cycle and negatively impact the health of workers and community residents (e.g. workers at production sites, residents near freight corridors or production sites, etc.).

Sustainable Procurement: Procurement that has the greatest positive environmental, social and economic impacts possible over the entire life cycle. Sustainable procurement involves the [sustainability aspects](#) related to the goods, services, and suppliers along the supply chains. Sustainable procurement contributes to the achievement of organizational [sustainability](#) objectives and to overall sustainable development.¹

13. Related Sustainability Policies and Resolutions

- Resolution 37121: [2015 Sustainable City Government Principles and 2030 Environmental Performance Objectives](#)
- Resolution 37135: [2015 Climate Action Plan](#)
- Resolution 37122: [2015 Green Building Policy](#)

14. Attachments

1. [Code of Conduct for Apparel Manufacturers](#)

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