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SUBJECT Sustainable Procurement	APPROVED SIGNATURE Berri Leslie, Director <i>(Signature on file with DAS SIEA Policy Coordinator)</i>	

PURPOSE

This policy directs state agencies to:

- Recognize government’s responsibility to minimize negative impacts on human health, climate change and the environment while supporting sustainable communities and a healthy economy in the procurement of goods and services.
- Apply life-cycle and total cost of ownership thinking to procurement decisions to incorporate both short- and long-term costs and benefits, reduce risk and practice fiscal responsibility.
- Promote supplier innovation for sustainability in the marketplace. Create sustainable purchasing options for all authorized purchasers.
- Promote inclusiveness and diversification in the supplier community by supporting state policies and executive orders related to diversity, equity and inclusion.
- Further develop and maintain the sustainable procurement program to support and implement sustainable practices in state agency contracting and purchasing.

APPLICABILITY

This Policy applies to all Executive Branch agencies, boards and commissions as defined by ORS 174.112. State agencies, cities, counties, and other public entities outside the Executive Branch are encouraged to develop, implement, and participate in elements of this Policy as appropriate and to the extent allowable by law.

This Policy is intended to function in addition to other existing legal responsibilities related to the procurements of state agencies, boards, or commissions.

This Policy and related procedures apply to all employees where not in conflict with applicable collective bargaining agreements.

DEFINITIONS

All capitalized terms in this policy are defined in OAR 125-246-0110. Capitalized terms not defined in the OAR, are defined below.

Agency: Those agencies of the state of Oregon that are subject to the procurement authority of the Director of the Department according to ORS 279A.050 (Procurement authority) and 279A.140 (State procurement of goods and services). This term includes the Department when the Department is engaged in Public Contracting. Under these Rules, an Agency is authorized only through a delegation of authority according to OAR 125-246-0170 (Delegation of Authority).

Certification Office for Business Inclusion and Diversity: The office that administers the certification process for the Disadvantaged Business Enterprise (DBE), Minority-owned Business Enterprise (MBE), Woman-owned Business Enterprise (WBE), Service-Disabled Veteran-owned Business (SDV), and Emerging Small Business (ESB) Programs. Certification Office for Business Inclusion and Diversity (COBID), formerly OMWESB, is the sole authority providing certification in Oregon for disadvantaged, minority-owned, woman-owned, service-disabled veteran owned, and emerging small businesses.

DEQ: Oregon Department of Environmental Quality.

UL Eco Logo: A multi-attribute, life-cycle-based, third party verified, sustainability standard developed by the company UL.

Embodied Carbon: The greenhouse gas (GHG) emissions arising from the manufacturing, transportation, installation, maintenance, and disposal of products and materials.

Environmentally Preferable Products: Products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose.

Energy Star: A program run by the U.S. Environmental Protection Agency and U.S. Department of Energy that promotes energy efficiency. The program provides information on energy consumption. The ENERGY STAR ecolabel identifies energy efficient products.

Environmental Product Declaration (EPD): Quantifies the environmental impacts of a product, throughout the product's life-cycle, such as global warming potential, smog creation, ozone depletion and water pollution, in a single, comprehensive report. At a minimum, EPDs include cradle-to-gate stages (i.e., raw material extraction/supply, transport and manufacturing), but can also cover a cradle-to-grave analysis, which includes transportation to a site, installation, use, maintenance and end of life (i.e., recycling or disposal). EPDS are governed by International Standard (ISO) 14025.

Electronic Product Environmental Assessment Tool (EPEAT): A third party verified, sustainability certification for electronics that evaluates devices based on their environmental and social performance. Products are ranked as Gold, Silver or Bronze based on compliance to a set of performance criteria.

Food Waste: Food intended for human consumption that is wasted and lost, including purchased food not consumed at events or in cafeteria and vending operations, and raw food materials and produce that are lost during transportation and storage.

Greenhouse Gases (GHG): A gas that traps heat in the atmosphere, causing the greenhouse effect (i.e., global warming). The primary greenhouse gases being released into Earth's atmosphere are carbon dioxide, methane, nitrous oxide, and fluorinated gases: chlorofluorocarbons (CFCs), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), as well as sulfur hexafluoride (SF₆).

Life-Cycle Cost: The total cost of acquiring, operating, supporting and (if applicable) disposing of the Product being acquired.

Life-Cycle Costing: An analysis method that quantifies Life-Cycle Costs, including the costs of acquiring, operating, supporting, and disposing of a product. The method may also include any additional costs that relate to adverse impacts of a product, for example, impacts to the environment or public health.

Low-carbon Fuels: Alternative transportation fuels that have lower carbon intensities than conventional petroleum fuels, such as gasoline and diesel.

Oregon Cooperative Procurement Program (ORCPP): Allows qualifying non-state agencies and organizations to purchase goods and services from state contracts.

OregonBuys: Web-based eProcurement system that automates the state of Oregon's procurement process.

Polyethylene Terephthalate (PETE/PET): A polyester resin commonly used in consumer products such as fibers for clothing and containers for liquids and foods.

Recycled Content: The total percentage of recovered material in a product, including pre-consumer and postconsumer materials.

Recycled Material: Any material that would otherwise be a useless, unwanted or discarded material except for the fact that the material still has useful physical or chemical properties after serving a specific purpose and can, therefore, be reused. (ORS 279B.025)

Recycled Paper: A paper product with not less than: (a) Fifty percent of its fiber weight consisting of secondary waste materials; or (b) Twenty-five percent of its fiber weight consisting of post-consumer waste. (ORS 279A.010)

Recycled Product: All materials, goods, and supplies, not less than 50 percent of the total weight of which consists of secondary and post-consumer waste with not less than 10 percent of its total weight consisting of post-consumer waste. "Recycled Product" includes any product that could have been disposed of as solid waste, having completed its life-cycle as a consumer item, but otherwise is refurbished for reuse without substantial alteration of the product's form. (ORS 279 A.010)

SPOTS: The State P-Card of Oregon Transaction System (SPOTS) is a joint effort between DAS Financial Business Systems and Procurement Services. SPOTS provides state government with a low-cost way to procure and pay for goods and services.

Sustainability: Using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives. (ORS 184.421)

Sustainable Procurement: Adopting social, economic, and environmental factors, in addition to price and quality considerations, into purchasing decisions.

Third-party Sustainability Certification: A transparent, research-based verification (e.g., ENERGY STAR) for a product or service by an accredited, independent organization that formally documents compliance with specific sustainability standards.

Total Cost of Ownership (TCO): Costs associated with the procurement, use and end of life treatment of a product.

TCO Certified: A third party verified sustainability certification for IT products based on life-cycle environmental and social criteria.

WaterSense: A program administered by the U.S. Environmental Protection Agency that promotes water efficiency. The WaterSense ecolabel is independently certified and indicates high water efficiency.

POLICY

A. GUIDING PRINCIPLES

The state of Oregon integrates sustainability into purchasing decisions wherever possible, in compliance with applicable purchasing laws, rules and industry best practices. State agencies shall comply with this Policy and follow sustainable procurement practices when conducting procurement activities under ORS.279 A-C and all other applicable laws. To the extent feasible, sustainable procurement practices in this policy, shall be taken into consideration in planning and designing projects, developing asset management plans, writing product or service specifications, selecting vendors, selecting materials and making other purchasing decisions. According to provisions applicable to purchasing in the [Oregon Sustainability Act](#), (ORS 184.423) and General Provisions for Public Contracting (OAR 125-246-0120), state purchases and associated operations shall:

1. Be made to serve the broad, long-term interests of Oregonians, including ensuring that environmental, economic and societal improvements are made so as to enhance environmental, economic and societal well-being.
2. Reflect the highest feasible efficiency and lowest life-cycle costs in investments in facilities, equipment, and durable goods.
3. Promote improvements in the efficient use of energy, water and resources in investments and expenditures.
4. Maintain vital and active downtown and main street communities.
5. Help promote opportunities for economically distressed communities and historically underemployed people.
6. Significantly increase the efficient use of energy, water and resources
7. Reflect the efficient use and reuse of resources and reduction of contaminants released into the environment.

Additionally state purchases should:

8. Support diversity, equity and inclusion among suppliers of goods and services.
9. Help drive innovation toward more sustainable goods and services in the supplier community.

B. ENVIRONMENTAL, SOCIAL AND FISCAL OBJECTIVES

Agencies shall include in all their procurement planning processes consideration of environmental, social, and fiscal impacts and make purchases that promote practices that protect and improve human and environmental health; conserve water, energy and other resources; minimize contributions to climate change; and support and promote diversity, equity and inclusion.

1. Agencies shall generally consider the environmental impacts of purchasing decisions, such as procuring products and services that:
 - a. Contain the lower amounts of embodied carbon.
 - b. Generate the lower amounts of GHG emissions.
 - c. Maximize recycled content.
 - d. Minimize generation of waste.
 - e. Use energy and water efficiently.
 - f. Foster habitat and ecosystem restoration and resiliency.
 - g. Minimize depletion of natural resources.
 - h. Reduce toxic contamination of air, land and water.

2. Agencies shall specifically consider recycled content products, recovered materials and reusable goods: (ORS 279B.025, OAR 137-046-0320)
 - a. All contracting agencies shall establish procurement practices that ensure, to the maximum extent economically feasible, the procurement of goods that may be recycled or reused when discarded.
 - b. Agencies shall give preference, where feasible, to the procurement of goods manufactured from recycled materials.
 - c. Agencies procuring goods or services shall:
 - (i) Prioritize the procurement of used goods to the maximum extent practical.
 - (ii) Wherever economically feasible, promote and encourage the procurement of recovered resources or recycled materials.
 - (iii) Provide incentives, wherever economically feasible, in all procurement specifications for the maximum possible use of recovered resources and recycled materials.
 - (iv) Utilize discretionary preferences provided in law, whenever feasible, to promote sustainable procurement choices.
 - (v) Establish management practices that minimize the amount of solid waste generated by reusing paper, envelopes, containers and all types of packaging and by limiting the number of materials consumed and discarded.
 - (vi) Use, or require persons with whom the agency contracts to use in the performance of the contract work, to the maximum extent economically feasible, recycled paper and recycled PETE products as well as other recycled plastic resin products.

3. Agencies shall generally consider and incorporate other state government rules, policies and executive orders addressing social and community sustainability as appropriate to each procurement. Considerations may include supporting local economies in Oregon; diversity, equity, and inclusion; fair labor practices; human health and safety; and human rights.

4. In addition to directives in Section F, agencies shall integrate long-term and strategic procurement practices when purchasing goods and services: (ORS 279A.065(5)(a) and 279A.070; OAR 125-247-0170)
 - a. Apply life-cycle cost analysis, rather than just up-front cost, where practicable when developing solicitations and evaluating purchasing decisions.
 - b. Consolidate spend decisions for bulk discounts.
 - c. Look for opportunities to collaborate with DAS and other agencies, including other public non-state agencies, to leverage purchasing power.

C. SUSTAINABILITY CERTIFICATIONS

DAS Procurement Services and state agencies shall request and apply third-party sustainability certifications when available and practical for a product or service being procured.

1. Use independent, third party social and/or environmental product or service label certifications when writing specifications for procuring materials, products or services.
2. Ensure standards of the certifications were developed in a transparent, broad and public process among interested parties.
3. Obtain maximum benefit by applying multi-attribute certifications and/or applying more than one certification to a product or service.

D. SPECIFIC PRODUCT REQUIREMENTS

In addition to the general procurement best practices provided in Sections H through I, agencies shall follow standards for specific product categories:

1. Energy and water efficient equipment used inside buildings:
 - a. Equipment examples include but are not limited to appliances, electronics and IT equipment, food service, HVAC, lighting, water, and plumbing.
 - b. Require, at a minimum, procurement of ENERGY STAR and WaterSense certified equipment when available and feasible for the application.
 - c. Seek the procurement of equipment with multi-attribute certifications that include high-efficiency energy and water specifications (e.g., EPEAT, TCO Certified, and UL ECOLOGO)
 - d. Consult applicable price agreements for most current sustainability certifications.
 - e. Purchase products that comply with and exceed Oregon minimum energy efficiency standards (ORS 469.233) and OAR Chapter 330, Division 92 for products that are not federally regulated.
 - f. For equipment where no efficiency standard or certification exists, select the most efficient equipment available and feasible for the application. (Guidance provided here [2019 Efficient Equipment Standards](#))
2. Priority products that contain embodied carbon and have other environmental and health impacts:
 - a. IT and other electronic equipment:
 - i. Comply with energy requirements in Subsection 1, above.
 - ii. Procure electronic goods that includes consideration of their impact on public health and the environment. (ORS 279A.065(5)(a) and 279A.070, OAR 125-247-0165)
 - iii. Evaluate standard depreciation time for opportunities to extend product lifespan.
 - iv. Integrate energy efficiency criteria into the selection, design and operation of data centers.
 - b. Construction materials:
 - i. For new building construction or major renovations, or for horizontal infrastructure (e.g., roads, parking areas) where feasible, request Environmental Product Declarations (EPDs) in requests for bids or proposals for specific building materials such as concrete, steel and asphalt.
 - ii. Where feasible, establish and implement materials GHG reduction specifications for specific projects.
 - iii. Where feasible, disclose GHG impacts using Whole Building Life-Cycle Analysis.
 - iv. Prioritize deconstruction and salvage of building materials over building demolition and landfill.

- v. Consult with DEQ on the most feasible opportunities to reduce embodied carbon in construction materials.
 - c. Vehicles:
 - i. Procure electric vehicles per ORS 283.327 and DAS policy 107-011-040 to the extent possible.
 - ii. Explore opportunities to reduce GHG emissions from fuel consumption by reducing annual miles traveled in fleet vehicles that use fossil fuels.
 - d. Fuels and lubricants:
 - i. Use the lowest GHG intensity fuel feasible for a particular vehicle's fuel type (e.g., renewable diesel, ethanol blends) to the extent possible.
 - ii. Procure re-refined oils and lubricants per ORS 279B240 where feasible.
 - e. Professional services:
 - i. Include questions about sustainable business practices, including GHG reduction efforts, in solicitation documents and integrate into the evaluation process where feasible, and consider the capacity of proposers to respond.
 - Consider integrating NSF/ANSI 391.1 Sustainability Assessment Criteria into requests for bids and proposals.
 - f. Paper and office supplies:
 - i. Agencies shall seek to first reduce use of paper by employing paperless processes and digital signatures where feasible.
 - ii. No less than 35 percent of state agency procurements of paper products may be from recycled paper products. (ORS279A.155)
 - iii. Agencies should procure office paper with 100 percent recycled content wherever practical, with a minimum of at least 35 percent recycled content.
 - iv. Promotional items that are used for marketing and promotions should either have recycled content and/or promote reuse, avoiding single use and individual packaging.
 - g. Food:
 - i. Reduce food waste generation in state agency operations.
 - ii. Encourage purchases, where feasible, of food that has been produced sustainably, being verified by third party organizations and indicated by ecolabels, such as USDA Organic, Fairtrade, and Animal Welfare Approved.
 - iii. Purchase food in recyclable or biodegradable food service and packaging whenever feasible. (ORS 279A.065(5)(a) and 279A.070, OAR 125-246-0324)
 - iv. No less than 35 percent of state agency procurements of paper products may be from recycled paper products (ORS 279A.155), which include food service and food packaging that are 100% paper or paper products. (OAR 125-246-0324)
 - h. Comply with applicable sustainability standards as identified in price agreements and buyer's guides for any products/services not listed above.
3. Comply with DAS Statewide Policy 107-009-0080-PO, Green Chemistry Procurement Guidelines, to reduce toxic chemicals in products procured by state agencies and used by contractors.

E. GENERAL SUSTAINABLE PROCUREMENT PRACTICES

Agencies shall apply a holistic sustainability lens to procurement decisions by doing the following:

1. Assess need for procurement. Agencies shall apply a decision hierarchy to procurement of goods and services to reduce unnecessary consumption and use resources efficiently.
 - a. Consider the initial need for the procurement.
 - b. Re-use and re-purpose goods and materials on hand.
 - c. Utilize training and tools made available by the [Sustainable Procurement](#)
 - d. Purchase from statewide price agreements and use the sustainability guidance provided in the price agreement buyer's guides when available.
 - e. Consider sustainability when purchasing goods on the open market. (Refer to Section F)

F. BID AND PROPOSAL PROCESS AND PRICE AGREEMENTS

1. Proposal and bid language:
 - a. Procurement documents shall reflect an agency's intent to select goods and services based on "best value", (OAR 125-246-0120), which may include considerations such as:
 - i. Total cost of ownership and life-cycle considerations.
 - ii. Durability.
 - iii. Sustainability attributes and their benefits.
 - iv. Other factors an agency identifies as valuable product or service attributes.
 - b. In accordance with ORS 279B.025, agency procurement documents shall include the following language: "Vendors shall use recyclable or reusable products to the maximum extent economically feasible in the performance of the contract work set forth in this document."
2. Agencies, including DAS, shall:
 - a. Integrate into bid specifications any required or desired sustainability attributes, including those contained in this policy.
 - b. Develop criteria where applicable and feasible, for selecting vendors and awarding contracts related to sustainability practices in vendor operations.
 - c. Consider sustainability goals when amending price agreements or renewing contracts.
 - d. Work with suppliers to offer more sustainable products and services and to work with contract administrators or the DAS Enterprise Sustainable Procurement Program & Policy Manager to make those options easier to locate within OregonBuys.
 - e. Negotiate, where feasible, discounts on more sustainable products and services for state contracts.

G. SUSTAINABLE PROCUREMENT PROGRAM

DAS Procurement Services will serve as the lead for the state of Oregon Sustainable Procurement Program, ensuring that sustainable procurement best practices are embedded across planning, specification development, bid evaluation, contract management, tracking and reporting.

1. Enterprise Sustainable Procurement Program & Policy Manager (DAS):
 - a. Coordinate with DAS Procurement Services to update and develop sustainable procurement trainings and curriculum.

- b. Provide statewide outreach and informal trainings that inform both state agencies and ORCPP members of sustainable procurement tools, guidance, and purchasing options.
- c. Coordinate with agencies, contract administrators, and contracted suppliers to identify sustainable purchasing options, create guidance and tools within, but not limited to, statewide price agreements.
- d. Engage with the supplier community to communicate program requirements and move suppliers toward more sustainable products and services.
- e. Assist agencies in developing product and service specifications and procurement best practices that meet the requirements of this Policy.
- f. Engage key subject matter experts in accomplishing the goals and objectives of the Sustainable Procurement Program.
- g. Consult with Oregon Department of Environmental Quality on the development of sustainability criteria for product and service price agreements, metrics and other programmatic elements.
- h. Review new or renewed price agreements and identify required and recommended sustainability criteria.
- i. Develop standard sustainable procurement language for solicitation document templates.
- j. Track metrics and report at least biannually on state enterprise-wide sustainable procurement efforts, including establishing metrics required from vendors.
- k. Review this policy biennially and update where appropriate.

2. DAS procurement staff:

- a. Maintain or develop fundamental understanding of sustainable procurement through formal and informal trainings from DAS PS trainers and the Enterprise Sustainable Procurement Program & Policy Manager.
- b. Coordinate with the Enterprise Sustainable Procurement Program & Policy Manager to review price agreements, as applicable, and incorporate sustainability criteria and specifications into procurement documents and vendor selection processes.
- c. Answer questions from vendors about sustainability criteria in procurement documents.
- d. Look for opportunities to incorporate sustainable specifications and criteria in procurement documents.

3. Agency designated procurement officers:

- a. Lead agencies on sustainable procurement processes, requirements, and strategies
- b. Set and communicate criteria for their agency buy decisions, including demonstrating the need for the procurement, and implementing the decision hierarchy in Section F of this Policy.
- c. Help staff comply with, support, and utilize statewide price agreements incorporating sustainability criteria.
- d. Educate their agency staff about sustainability procurement requirements, best practices, recommendations and encourage participation in sustainable procurement trainings.

4. Agency staff with purchasing authority:

- a. Comply with, support, and utilize statewide price agreements incorporating sustainability criteria, including purchases made with and without SPOTS cards.

H. PROGRAM AND POLICY EVALUATION

1. DAS Procurement Services shall at least biannually compile a Sustainable Procurement Program Report to the DAS Director that:
 - a. Reports qualitatively on program progress and accomplishments.
 - b. Reports on key performance metrics for sustainable procurement across the state government enterprise.
 - c. Provides recommendations for continuous improvement, both for DAS sustainable procurement efforts as well as agency procurement activities.
 - d. Demonstrates transparency and accountability.

2. Where feasible, state agencies shall at least biennially track and report on sustainable procurement activities.
 - a. Obtain spend data from DAS Procurement Services related to sustainable procurements and requirements of this Policy.
 - b. Report on progress through an established sustainability plan or other means.
 - c. Share progress with staff internally and support transparency, accountability, and continuous improvement in sustainable procurement practices.