



**Finance Guideline** FND\_Green Procurement\_PG002

**Objective** To procure environmentally acceptable products and services in order to reduce UCT's impact on the local and global environment, removing unnecessary hazards from its operations, protecting public health, , and using reasonable endeavours to improve the environmental quality of the campus.

**Scope** Applies to the procurement of all goods and services at UCT, irrespective of value or nature of the goods or services.

**Applicable to** The guideline applies to all funding administered by UCT, irrespective of source, and to anyone involved in the process of procuring goods or services for or on behalf of UCT.

**Additional information**

- Related policies
  - Purchasing [\[PUR003\]](#)
  - Quotations, tenders and Request for Proposal (RFP) [\[PUR004\]](#)

**Definitions**

- *Environmentally Preferable Products (EPP) and Services (EPS):* products and services that have a lesser or reduced negative effect on human health and the environment when compared with competing products that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, re-use, operation, maintenance, or disposal of the product.
- *Life cycle cost:* the amortized annual cost of a product, including capital costs, installation costs, operating costs, maintenance costs, and disposal costs discounted over the lifetime of the product.
- *Practicable:* sufficient in performance for their intended purpose and available at a reasonable price and within a reasonable period of time.
- *Recyclable product:* a product which, after its intended end use, can demonstrably be diverted from UCT's solid waste stream for use as a virgin material in the manufacture of another product.
- *Recycled material:* material and by-products that have been recovered or diverted from solid waste and have been utilised in place of virgin material in manufacturing a product. It is derived from post-consumer recycled material, manufacturing waste, industrial scrap, agricultural waste and other waste material, but does not include material or by-products generated from and commonly re-used within an original manufacturing process.
- *Virgin material:* any material occurring in its natural form. Virgin material is used in the form of raw material in the manufacture of new products.

**General principles** UCT commits to:

- Promote the procurement of EPPs and EPSs where criteria for such goods and services have been established by governmental or other widely recognized authorities such as Energy Star and the United States Environmental Protection Agency Eco Purchasing Guidelines.
- Promote the integration of environmental factors into UCT's buying decisions where external authorities have not established criteria. Examples of such environmental factors are:
  - Reducing waste, replacing disposables with Recyclable Products;
  - support eco-labelling practices by buying products bearing such labels in preference to others, where they are available and provide value for money;

- take into account life cycle costs and benefits;
- evaluation by the UCT Environment Risk Officer, as appropriate, the environmental performance of vendors in providing goods and services;
- Raise staff awareness on the environmental issues affecting procurement by providing relevant information and guidance;
- Encourage Vendors to offer EPPs and EPSs at competitive prices;
- Encourage Vendors to consider environmental impacts of service delivery;
- Comply with all applicable environmental legislative and regulatory requirements in the procurement of products and services.



**Note**

Nothing in this practice note shall be construed as requiring UCT departments to procure products that do not perform adequately for their intended use or are not available at a reasonable price in a reasonable period of time.

**Guidelines**

- When procuring goods or services, all UCT departments, where possible, shall aim to identify and purchase the most environmentally responsible products and services that are available for the intended purpose and that meet the performance requirements.
- Factors that should be considered when determining whether products and services are environmentally responsible include, but are not limited to:
  - Minimization of Virgin material used in product or service life cycle
  - Maximization of Recycled material used in product or service life cycle
  - Environmental cost of entire product or service life cycle
  - Re-use of existing products or materials in product or service life cycle
  - Recyclability of product
  - Minimization of packaging and maximisation of recyclable packaging
  - Improving energy and water efficiency and reducing energy and water consumption
  - Reducing emission of and/or use of toxic and hazardous chemicals and substances
  - Reducing greenhouse gas emissions and air contaminants
  - Reducing the use and emission of ozone depleting substances
  - Elimination of uncertified hardwoods in product or service life cycle
  - Durability and maintenance requirements
  - Ultimate disposal of the product



<b>PPS' responsibilities</b>	<p>PPS undertakes, where reasonable, to:</p> <ul style="list-style-type: none"> <li>• develop and maintain information about EPPs and Recyclable Products containing the maximum practicable amount of Recycled Materials, to be purchased by departments, agencies, consultants and contractors whenever possible;</li> <li>• inform departments, and Vendors of their responsibilities under this practice note and provide implementation assistance;</li> <li>• require the Practicable use of Recycled materials and Recyclable products by incorporating them in bid specifications;</li> <li>• disseminate information on Recyclable Products and EPP procurement requirements, specifications, and performance to assist vendors with procurement opportunities;</li> <li>• establish guidelines governing the review and approval of specifications for the procurement of selected materials based on considerations of recycling, energy and water conservation, Life Cycle Costing and other environmental considerations;</li> <li>• include provisions in all contracts, tenders and RFPs which implement the intent of this practice note with respect to all suppliers of goods, services and materials procured by UCT;</li> <li>• raise awareness among UCT Purchasers on the adoption of more sustainable procurement practices; and</li> <li>• provide feedback on the implementation/impact of green initiatives on UCT's procurement behaviour to the UCT Environmental Management Working Group.</li> </ul>
<b>General user responsibilities</b>	<ul style="list-style-type: none"> <li>• Be aware of, and use, EPPs, whenever practicable.</li> <li>• Where applicable, evaluate requested products and services to determine the extent to which the specifications could include an environmentally preferable option.</li> <li>• Ensure that specifications issued by UCT include EPPs and recycled material, wherever practicable.</li> </ul>
<b>Implementation responsibility</b>	<p>The Heads of Department are responsible for ensuring all policies and procedures are communicated to and implemented by the responsible individual(s), The faculty/Professional, Administrative and Support Services finance manager has to ensure that reasonable controls exist to support the implementation of policies.</p>
<b>Contact</b>	<p>Finance helpdesk  <a href="mailto:fnd-finance@uct.ac.za">fnd-finance@uct.ac.za</a>          021 650 2111</p>

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<b>Guideline category</b>	PG - Procurement & Payment Services (PPS) Guideline
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