

The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.

# Pacific Infrastructure Business Opportunities Seminar

22 to 23 May 2024

9:00AM - 4:30PM

NADI, FIJI

# PACIFIC



*The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.*

# Addressing Sustainability Criteria

## Masterclass for Effective Bidding/ Tendering

NADI, FIJI

24 MAY 2024

**Procurement  
can save the  
world!**







Buying  
socially can  
save lives



Buying green can  
save carbon and  
resources



# Pillars of Sustainable Procurement at ADB

ENVIRONMENTAL



Viable Environment

SOCIAL



Nurturing Community

ECONOMIC



Sufficient Economy

INSTITUTIONAL



Effective Governance

*Do good both through what is built and through how it is built*

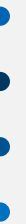


# Support Sustainable Supply Chains





# Encourage Gender and Universal Inclusiveness & Local Participation through Criteria Design





# Use Technical Specification to promote Zero Waste & Circularity





# Adopt Operation & Maintenance Contract Models that Consider Long Term Asset Resilience







**School Building** "Construction of a Carbon-neutral Educational Facility with Rainwater Harvesting Systems"

**Road Project** "Design and Construction of a Permeable Asphalt Roadway with Native Vegetation Sidewalks"



**Office Supplies** "Procurement of Recycled and Biodegradable Office Stationery"



**Irrigation Project** "Implementation of Water-saving Drip Irrigation Systems using Recycled Water Resources"



**Food and catering** Supply of Organic and Locally-Sourced Catering Services for Municipal Buildings

**Digital Services** "Implementation of Energy-Efficient Digital Infrastructure and Cloud Services "



**Ecomobility Project**  
"Provision of Solar-Powered Electric Bus Fleet for Urban Public Transit"

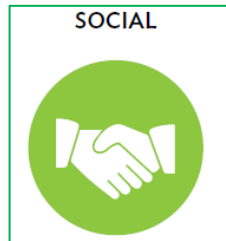


**Water Treatment Works**  
"Development of an Eco-friendly Water Purification Plant Utilizing Solar Power"



# Sustainable Procurement – Country & Project Level Application

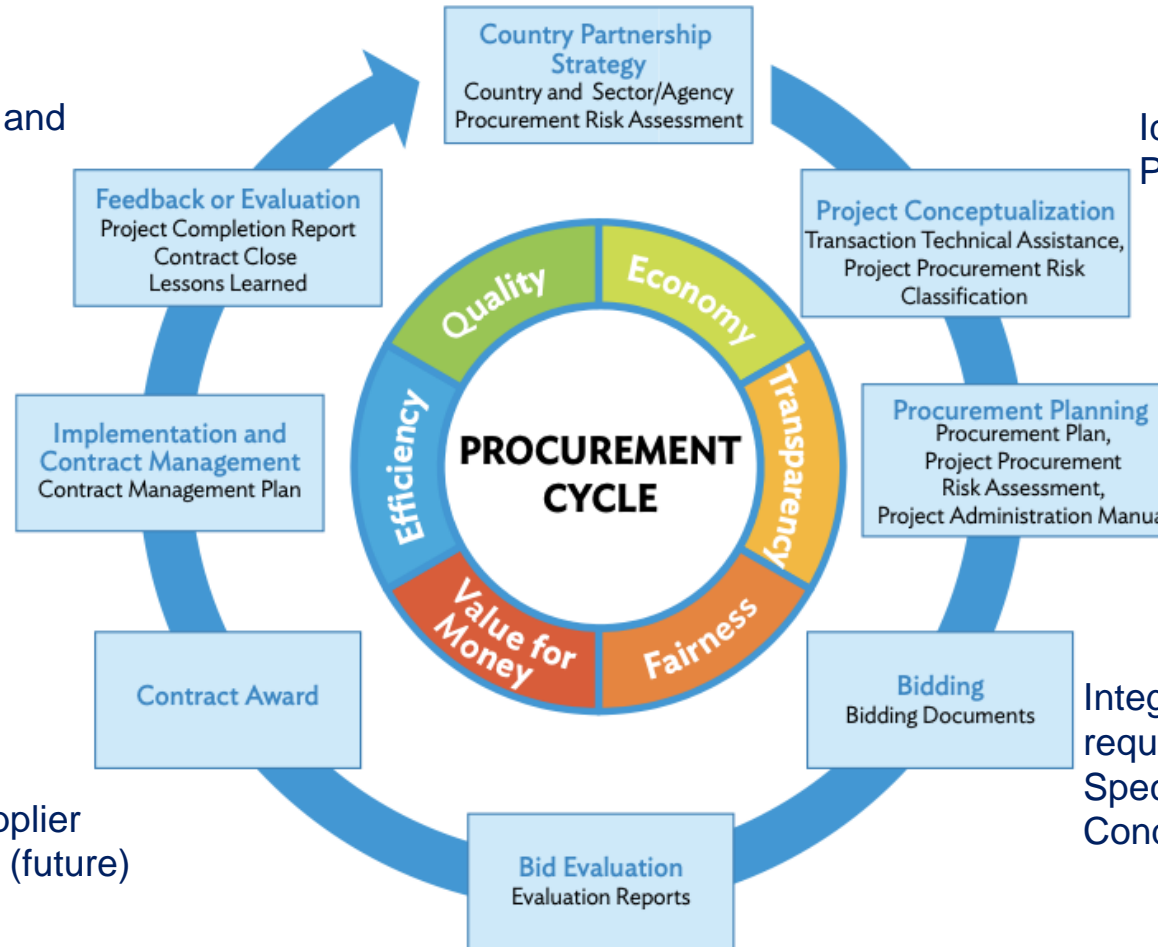
Integration of SusPP in National Public Procurement System – Law/ Regulations, Guidance, Process, Template, Training, Monitoring & Evaluation



Lesson Learnt Review and Share Good Practices

Monitor SusPP performance through CM and Progress Report

Feedback and supplier improvement plan (future)



Identify Project Sustainability Priorities and Expert Teams

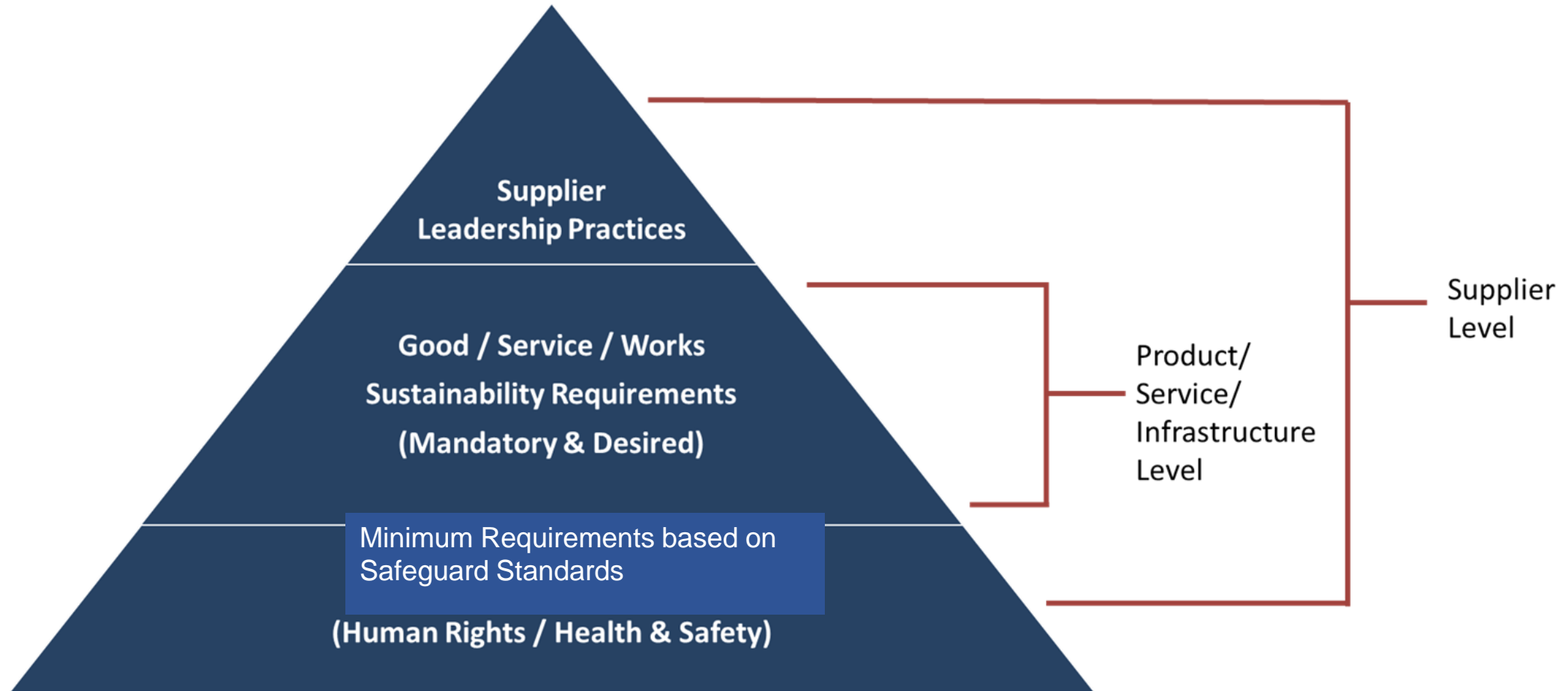
Identify Project Procurement Component to apply SusPP and verify market readiness

Integrate SusPP criteria and requirements in Evaluation/ Specification/ Contract Mgmt Conditions

Evaluate responses using SusPP Criteria Matrix

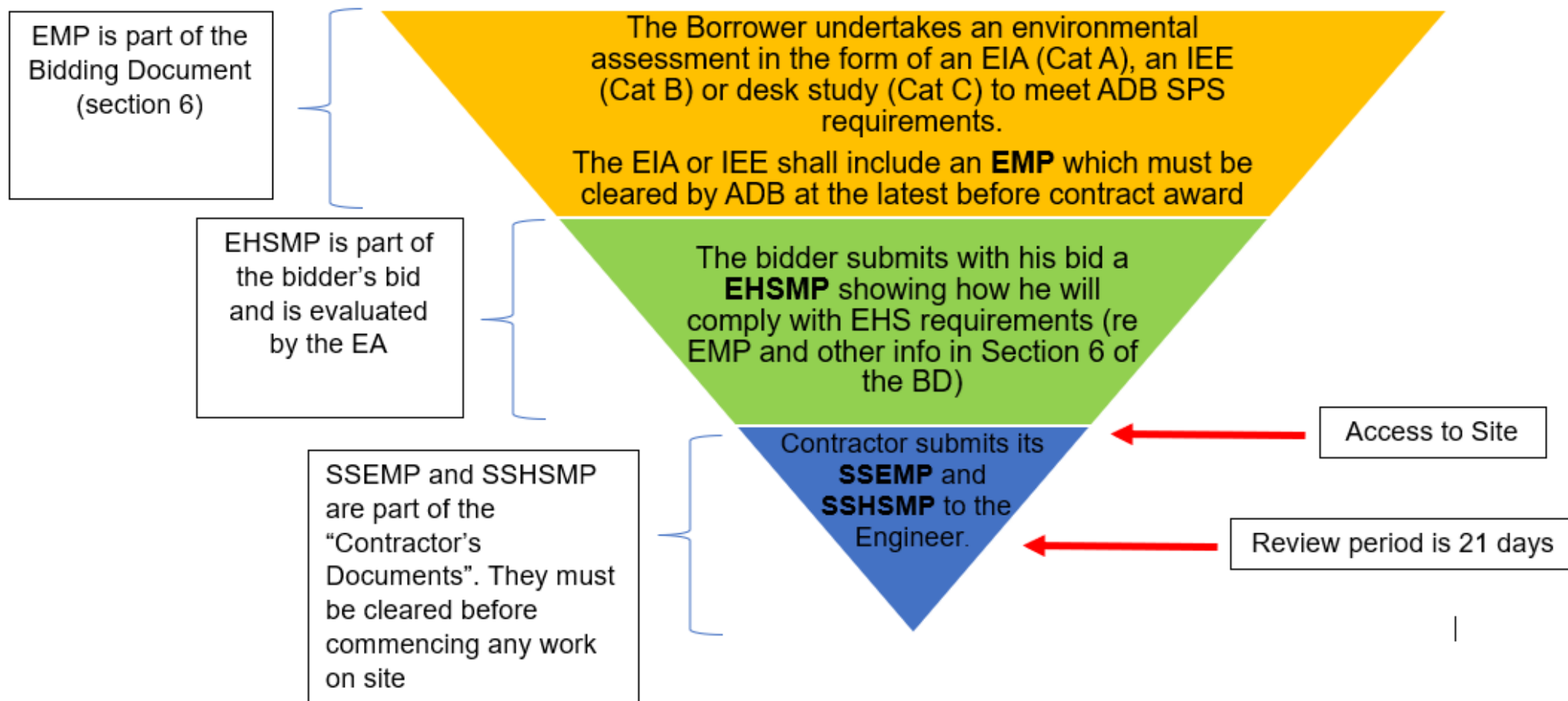


# Not an overnight exercise !!





# EHS Requirements as per ADB Standard Bidding Documents (Works related)









# Specifications vs Evaluation criteria

In SPP, specifications and evaluation criteria are often combined to target environmental / social / gender responsiveness performance. It is important to distinguish between their roles:

## Technical Specifications

- Can be functional, outcomes based or based on standards
- Cannot be waived unless variants permitted
- Best for ensuring that all bids will meet minimum environmental standards

## Evaluation Criteria

- Can address wide range of environmental factors
- Assign marks for better performance
- Best for stimulating the market to provide more sustainable solutions

# Minimum requirements

- Technical specifications prescribe minimum requirements:
  - **non-conformity = rejection**





# Example technical specification

## Social specification for construction

District of Friedrichshain-Kreuzberg, Berlin

### Technical requirements:

Provide proof that stones are sourced from responsible mining and manufacturing

For stones from DAC countries (OECD low & middle income):

- Xertifix certificate

- Fair Stone certificate

- Any other proof with equivalent detailed, product-specific info (independent auditing required)



# Evaluation criteria

- Determine the winning bid from amongst those which meet the technical specifications
- Combine cost (including life-cycle cost) and qualitative criteria
- Can include a range of environmental factors





# Example environmental criteria

Many criteria templates and tools contain a range of suggested award criteria for each product/service group, e.g.:

**Office Buildings:** *“Points will be awarded in proportion to the additional primary energy demand of the building to be supplied/generated by localised renewable energy sources or high efficiency alternative systems.”*

[EU GPP criteria website](#)



# Evaluation Criteria example – new buildings

## **Main Objective:**

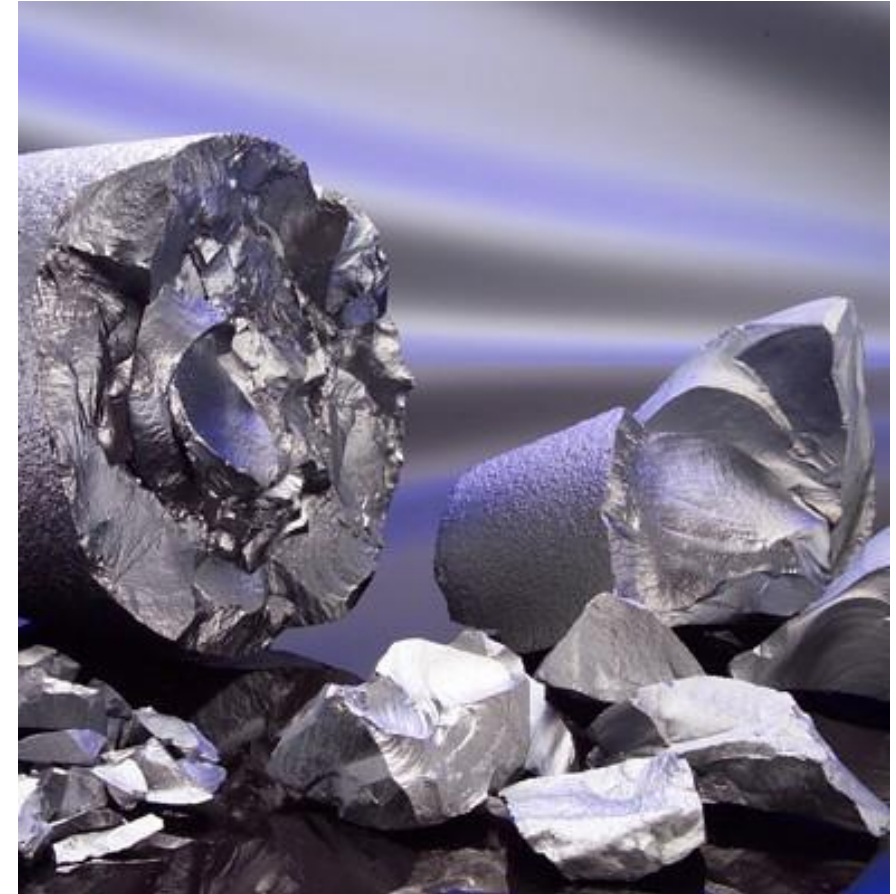
Promote the use of bio-based and/or recycled raw materials

**Evaluation Criterion:** Ambitious use of bio-based/recycled materials

Higher % = Higher rating

## **Tenderer Requirements:**

Indicate mass % of bio-based and/or recycled material.  
Specify origin: Post-consumer or Pre-consumer.



Source: [Dutch SPP Criteria Tool](#)



# Social example

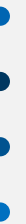
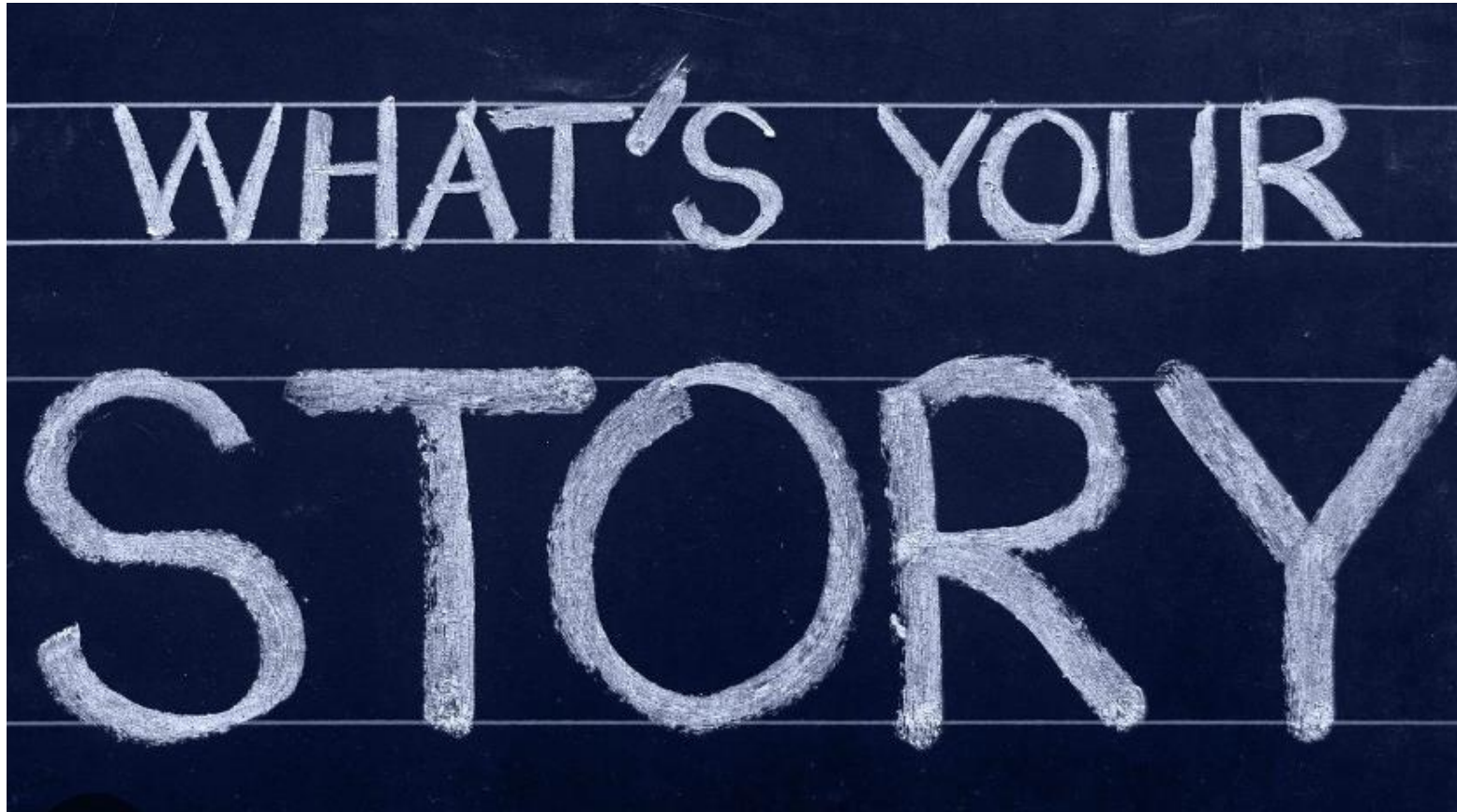
## Apprenticeships Question

What is your apprenticeship offer for this contract? Please include in your response:

- The number of apprenticeships offered and an overview of the role
- The terms of the apprenticeship and how this compares to the City's scheme
- How will you make this sustainable over the life of the contract and beyond



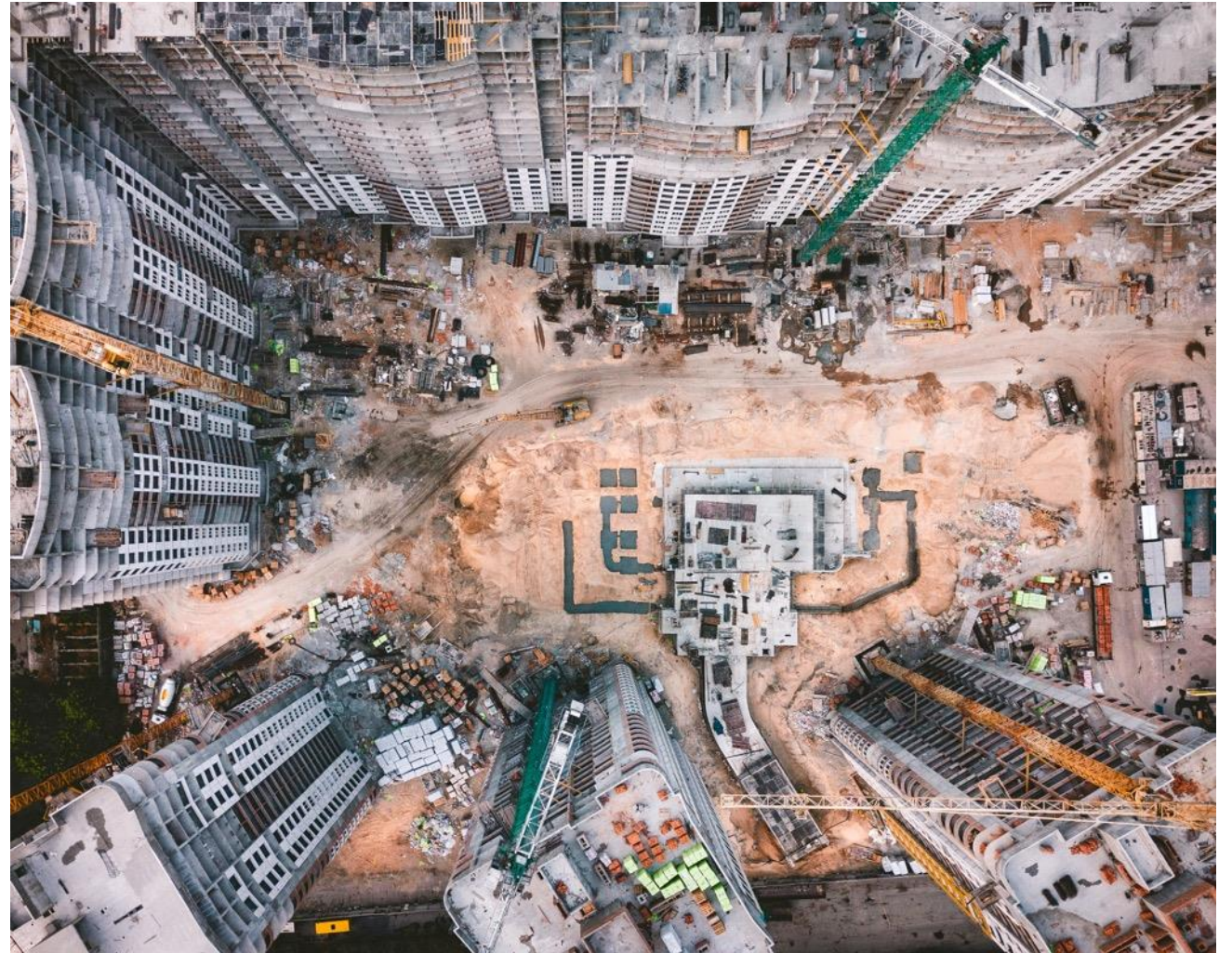
# Let's hear from you!





# Key Environmental Areas for Infrastructure Projects

- Energy consumption & greenhouse gas emissions
- Resource use, depletion & transport impacts
- Life-cycle waste (site prep to demolition)
- Air quality: indoor & local
- Noise, congestion & maintenance disturbances
- Water impacts: consumption, pollution, flooding & ecosystem effects





# Energy Efficiency

- High energy efficiency & low CO<sub>2</sub> emission design
- Incorporate renewable energy & site-specific solutions
- Systems to support ongoing energy & water use minimization
- Optimize design for reduced fuel consumption on roads



Source: [European Commission](#)



# Materials & Waste Management

- Minimize embodied impacts & resource use in materials.
- Reduce & recycle construction & demolition waste.
- Maximize on-site reuse of excavated materials.
- Prioritize products with high recycled/reused content.



Source: [European Commission](#)



# Air Quality & Noise

- Prioritize indoor air quality & minimize external pollution intake.
- Efficient ventilation design.
- Noise reduction strategies during all phases.



Source: [European Commission](#)



# Water Management

- Water-saving technologies.
- Introduce water pollution controls & stormwater management, emphasizing nature-based solutions.



Source: [European Commission](#)

# Transport and accessibility

- Promote sustainable staff transport and support for electric & cycling infrastructure
- Implement traffic congestion solutions



This Photo by Unknown Author is licensed under [CC BY-SA](#)

Source: [European Commission](#)



# Maintenance and Durability

- Enhance material durability & minimize maintenance
- Maintenance plans and monitoring strategies



Source: [European Commission](#)

# Socially responsible procurement

Social procurement includes:

- compliance with labour law
- social inclusion
- enhanced employment opportunities for long-term unemployed and disadvantaged people, as well as people with disabilities
- equal opportunities, including gender and ethnic equality
- accessibility and design for all

You can also address ethical trade issues such as the promotion of human rights and decent work in global supply chains.





# Key Social Areas for Infrastructure Projects

- Community displacement
- Cultural heritage
- Public health and safety
- Worker safety
- Labour rights
- Community engagement
- Access and inclusivity





TIME TO

PLAN



**If there was a demand, we would invest to supply greener products**

**THE BUYER SUPPLIER PARADOX**

**If there were suitable and cost effective low-carbon alternatives available, we would buy them**