

MANITOBA GOVERNMENT SUTAINABILITY PROCUREMENT REQUIREMENT

December 2022



**SUPPLY CHAIN
MANITOBA**



Purpose

Supply Chain Manitoba (SCM) retained the services of Kanekta Consulting to research and report on current Request for Proposal requirements for public tendered opportunities for businesses in Manitoba.

The purpose of the study is to identify current Request for Proposal (RFx) requirements regarding sustainability to identify areas for proponents to score maximum points in the sustainability requirements of the tenders and for proponents to have a better understanding of certifications, ratings, and reporting standards for sustainability requirements.

SCM aims to support SME in Manitoba in ensuring SME are well informed and equipped to respond to Requests for Proposals, increasing their likelihood for contact award, and ultimately encouraging overall industry growth.

Scope of Work

The project scope included data gathering, research, and reporting on current procurement requirements and best practices in Manitoba, specifically noting sustainability requirements. Government entities at the municipal, provincial, and federal level were researched to determine RFx sustainability requirements. This report will outline the following:

- Current state of procurement requirements for municipal, provincial, crown corporation, and federal tenders
- Common sustainability tender requirements

Government Procurement Policies

Government entities at all levels of government have publicly published procurement policy that support sustainability efforts when engaging suppliers. The following summarizes policy commitments from each level of government and identifies sustainability goals and desired outcomes for each.

City of Winnipeg

The *Sustainable Procurement Action Plan* published by the City of Winnipeg on May 24, 2022 states the city's commitment to a four-pillar sustainable procurement model that promotes sustainable supply chain opportunities across four pillars: environmental, ethical, social, and Indigenous.



Exhibit A – image from City of Winnipeg Sustainable Procurement Act, May 2022

The following key areas are identified in the report as environmental goals in the sustainable procurement program:

- Increase energy efficiency and reduce greenhouse gas emissions
- Increase economy circularity, reduce consumption, and increase waste diversion
- Increase access to local and sustainable food

Measured by:

- Percent of spend on 3rd party eco-certified products
- GHG emission reductions (tCO2 equivalent) reported by City contractors
- Waste reduction or avoidance (kg) reported by City contractors
- [Winnipeg's Green Building Policy for New City Buildings and Major Additions] All newly constructed city-owned building and major additions with a footprint greater than 500 square meters (5,400 square feet) shall be certified by a green building standard (LEED Silver or better, Green Globes Design 3 Globes or better, or other such third-party verified standards) by 2025.
- [Winnipeg's Green Fleet Plan] Ensure all fleet tenders put a significant weight on fuel efficiency to ensure light duty vehicles are as fuel efficient as possible; and explore the opportunity to prioritize low-emitting engines in call-out lists for outsourced work in city tenders.

It's worth noting that much of the report focuses on social procurement, especially in the area of engaging Indigenous communities. It's important to acknowledge the intersectionality of the pillars – Indigenous knowledge of environmental stewardship will be foundational to success in the environmental pillar.

Government of Manitoba

The Government of Manitoba published *Manitoba's Sustainable Development Procurement Guidelines* in 2000 and the guideline was last updated in 2017. The guideline aims to promote and incorporate sustainability efforts into all facets of

government activity. The following Manitoba Sustainable Development Procurement Guideline apply to Government of Manitoba procurement activities:

- Protecting human health and well-being;
- Promoting environmentally sustainable economic development;
- Conserving resources;
- Conserving energy;
- Promoting pollution prevention, waste reduction and diversion; and
- Evaluating value performance and need.

The guidelines do not reference any specific or measurable sustainability goals, rather it cites *The Sustainable Development Act* as a resource for government departments to adopt and integrate sustainability practices into their procurement guidelines, manuals, and procedures.

Federal Government

The Government of Canada's *Policy on Green Procurement* aims to advance the protection of the environment and support sustainable development by integrating environmental performance considerations into the procurement decision-making process with the following expected results:

- contribution to environmental objectives, such as:
 - o reducing greenhouse gas emissions and air contaminants;
 - o improving energy and water efficiency;
 - o reducing ozone depleting substances;
 - o reducing waste and supporting reuse and recycling;
 - o reducing hazardous waste;

- reducing toxic and hazardous chemicals and substances; and
- supporting biodiversity
- leverage the purchasing power of the federal government to achieve economies of scale in the acquisition of environmentally preferable goods and services, thereby reducing the cost for government and strengthening greener markets and industries;
- result in more environmentally responsible planning, acquisition, use and disposal practices in the federal government;
- support a healthier healthy working environment workplace for employees and for citizens in general through the purchase of environmentally preferable goods and services; and
- a federal government that is resilient to climate change.

The *Policy on Green Procurement* lists standards on the disclosure of greenhouse gas emissions and on embodied carbon in construction with the requirement to disclose carbon footprints of materials used.

RFx Categories Identified

Government tenders were reviewed for sustainability requirements in the areas of construction and goods procurement. The following lists outline construction sustainability requirements and product requirements and/or preferences for goods and services tendered by various government entities.

RFx Sustainability Requirements – Construction

- LEED Canada Submittals
- Construction Waste Management
 - o Project waste management plan
 - o Waste reduction work plan
 - o Recycling and salvage plans
 - o Calculations on the following that demonstrate that 50-75%
 - end-of-project recycling and salvage rates
 - salvage rates
 - landfill rates
- Building energy and water consumption
 - o Measurement and verification plan for IPMVP for lighting systems and controls
- Recycled content:
 - o Content products used
 - o Required percentages or recycled content materials and products showing percentages of post-consumer content
- Percentage of regional materials showing distance from project to furthest site of extraction or manufacture

- Low-emitting materials
 - o List of adhesives and sealants used in the building showing compliance with VOC and chemical component limits or restriction requirements
 - o List of composite wood products used stating they contain no added urea-formaldehyde resins, and laminating adhesives stating that they contain no urea-formaldehyde
 - o SDS sheets indicating resin type for structural composite lumber and agrifibre materials
- Sustainable forest management (CAN/CSA-Z809-08)
- Supplier must measure and disclose greenhouse gas emissions and adopt a science-based target to reduce greenhouse gas emissions in line with the Paris Agreement as part of participating in the Net-Zero Challenge or in an equivalent initiative or standard.

RFx Sustainability Requirements – Goods

- EnergyStar: An energy efficiency rating for electronic appliances
- WaterSense: An water efficiency rating for plumbing fixtures
- Cradle to Cradle: holistic efficiency from the creation to the disposal of a product
- Green Seal Certification: protection of human health and reducing toxic pollution and waste
- Green Guard Certification: products for use in indoor spaces meet strict chemical emissions limits
- Fair Trade Certified: ethical treatment of food and clothing producers
- Rainforest Alliance: agricultural standard for economic, social, and environmental sustainability

- Forest Stewardship Council Certification: verifies wood and paper products are handled correctly at every stage of production
- EcoLogo certification: a lifecycle based environmental certification
- EPEAT Rating: environmental impact and efficiency of electronics, especially computers
- Workers Rights Consortium Certification: certifies members and supplies third party auditing of labor rights compliance and working conditions in factories supplying members
- Fair Labour Association Certification: certifies members and supplies third party auditing of labor rights compliance and working conditions in factories supplying members
- B Corporation Certification: legally requires certified businesses to report the impact of their decisions on their workers, customers, suppliers, community, and the environment
- Bluesign Certification: textiles produced in low-impact manner and meet stringent consumer safety requirements.
- Certipur Certification: certifies foams are made without toxic chemicals
- Climate Registered: certification requiring organizations to report greenhouse gas in their operations to manage and reduce emissions
- GoodWeave Certification: certifies that no child, forced or bonded labor was used in the making of a certified product, and that the purchase supports programs that educate children and ensure decent work for adults
- LEVEL Certification: lifecycle sustainability rating for furniture.
- SCS Rating: Sustainable Choice rates production and materials sustainability

- Forest Stewardship Council: Wood products to be certified by the Forest Stewardship Council
- Foam cushioning shall be manufactured without the use of HCFCs
- Formaldehyde-free adhesives on construction/assembly, including fiberboard binders
- Low VOC or VOC free furniture glues and adhesives
 - o Material Safety Data Sheets for all adhesives used in manufacturing process
 - o Products tested, following ANSI/BIFMA Standard Method M7.1–2011, and comply with ANSI/BIFMA e3-2011 Furniture Sustainability Standard, Sections 7.6.1 (valued at 50% cost) or 7.6.2
- Powder coated metal components
- Metal components containing minimum average 30% recycled content
- Plastic component containing post-consumer recycled content
- Fabric options including biodegradable or recycled content
- Lighting components equipped with energy efficient lighting
- SCS Indoor Advantage certified

Themes Identified

Based on the review of government tenders, the following notable themes in government procurement practices were identified:

- **Lack of sustainability requirements:** Many of the tenders reviewed did not include a requirement for sustainability practices, reporting, or certifications outside of sustainability requirements for construction.
- **Certifications as mandatory requirements (construction):** Requirements in construction contracts were commonly pass/fail mandatory requirements in the tender that required proof of sustainability certification or as a report required once the construction project is completed.
- **Certifications and ratings as both mandatory and preferred (goods):** Requirements for sustainably sourced products were listed as either a mandatory requirement (ie. Must be produced with formaldehyde-free adhesives) or as a preference (ie. Percentage of regional materials). Some tenders referenced their internal sustainability policies for sustainable product preferences but did not require adherence to the policy as a mandatory requirement of the tender.
- **Sustainability trending:** Government bodies, most notably at the municipal level, are integrating updated sustainability policies; however, most do not have mechanisms in place to implement, measure, or review sustainable procurement practices.

Appendix A – RFX Sustainability Requirements

Consolidated Version

RFX Sustainability Requirements – Construction

- LEED Canada Submittals
- Construction Waste Management
 - o Project waste management plan
 - o Waste reduction work plan
 - o Recycling and salvage plans
 - o Calculations on the following that demonstrate that 50-75%
 - end-of-project recycling and salvage rates
 - salvage rates
 - landfill rates
- Building energy and water consumption
- Recycled content:
 - o Content products used
 - o Required percentages or recycled content materials and products showing percentages of post-consumer content
- Percentage of regional materials
- Low-emitting materials
 - o List of adhesives and sealants
 - o List of composite wood products
 - o SDS sheets indicating resin type for structural composite lumber and agrifibre materials



- Sustainable forest management (CAN/CSA-Z809-08)
- Greenhouse gas emissions
- Greenhouse gas emissions reduction in line with the Paris Agreement as part of participating in the Net-Zero Challenge or in an equivalent initiative or standard

RFx Sustainability Requirements – Goods

- EnergyStar
- WaterSense
- Cradle to Cradle
- Green Seal Certification
- Forest Stewardship Council certified wood products
- Foam cushioning manufactured without the use of HCFCs
- Formaldehyde-free adhesives
- Low VOC or VOC free furniture glues and adhesives
- Powder coated metal component
- Metal components containing minimum average 30% recycled content
- Plastic component containing post-consumer recycled content
- Fabric options including biodegradable or recycled content
- Lighting components equipped with energy efficient lighting
- Green Guard
- SCS Indoor Advantage Certified
- Fair Trade Certified
- Rainforest Alliance Certified
- Forest Stewardship Council Certified
- EcoLogo Certified
- EPEAT rating



- Workers Rights Consortium
- Fair Labour Association
- B Corporation Certified
- Bluesign Certified
- Certipur Certified
- Climate Registered
- GoodWeave Certified
- LEVEL Certified
- SCS: Sustainable Choice certification