

Ethical and Sustainable Procurement Policy

REFERENCE ID	CITYU/POLICY/PROC/01
EFFECTIVE DATE	JANUARY 2023
VERSION	1
REVISION	00
OWNERSHIP	ADMIN AND ASSET MANAGEMENT DEPARTMENT

CONTENTS

SECTION	PAGE
1.0 INTRODUCTION	3
2.0 DEFINITIONS	3
3.0 PROCUREMENT GOALS	3
4.0 KEY RESPONSIBILITIES	4
5.0 OBJECTIVES	5
6.0 INITIATIVES	6
7.0 ACTIONS	6
8.0 POLICY REVIEW	7

1.0 INTRODUCTION

City University Malaysia (CITYU) recognises that there is a responsibility to work to ensure that products, goods, services and works that we procure are sourced ethically and sustainably. Within our obligations to comply with relevant national and international legislation, regulations, and community standards we will endeavour to conduct our procurement processes in accordance with this Ethical and Sustainable Procurement Policy.

The University will base its Ethical and Sustainability Procurement Policy on the Ethical Trading Initiative (ETI) Base Code. The ETI Base Code is based on the internationally recognised standards of the International Labour Organisation (ILO), the UN agency responsible for labour standards, which the UK has signed up to: these include working conditions are safe and hygienic, child labour is not used, living wages are paid, working hours are not excessive, and freedom of association and the right to collective bargaining are respected.

2.0 DEFINITIONS

Ethical Procurement can be defined as: “a procurement process that respects fundamental international standards against criminal conduct such as bribery, corruption, fraud and human rights abuse, and responds immediately to such matters where they are identified” and “result in progressive improvements to the lives of people who contribute to supply chains and are impacted by supply chain decisions.” “Sustainable procurement considers the environmental, social and economic consequences of design, materials used, manufacturing methods, logistics and disposal.”

3.0 PROCUREMENT GOALS:

To improve the sustainability impact of our procurement by purchasing goods and services that advance the achievement of CITYU’s sustainability goals, purchasing from manufacturers and suppliers who share our commitment to sustainability and leveraging the buying power of CITYU to incentivize others to work towards our standards.

4.0 KEY RESPONSIBILITIES:

4.1 All Staff are required to:

- Always consider whether the purchase is necessary and explore options for reusing and sharing existing assets.
- Give priority to sustainability and whole life costs when selecting suppliers and awarding contracts.
- Undertake personal development to ensure you have the skills and knowledge to consider sustainability in your purchasing decisions.

4.2 Procurement Team are required to:

- Embed sustainable procurement within the University's procurement procedures, practices, and policies.
- Focus specialist support on managing the procurement of goods and services that are either high value, high volume, high impact, or high risk.
- Produce guidance and deliver training to staff about the application of this policy to their procurement and purchasing activities making information easily accessible and available to all.
- Provide faculties and divisions with advice on sustainability issues relating to procurement and purchasing.
- Proactively engage with the supply chain to ensure we are open and transparent on what our sustainability expectations are and undertake ongoing contract management.

4.3 Suppliers and Sub-Contractors are required to:

- Suppliers and subcontractors will be contractually obliged to comply with this policy to the extent set out in their contract.

- Suppliers will be requested to provide data and information on key sustainability data and impacts of their products and services and make commitments to improve their sustainability performance throughout the term of their contract with the University.

5.0 OBJECTIVES:

CITYU requires its staff, students, partners, and suppliers to:

1. Eliminate the linear consumption of non-replaceable natural resources by reviewing current and proposed future usage and evaluating the pros and cons of alternatives from a life cycle lens,
2. Identify sustainable procurement priorities and incorporate into the category management process, adapted to each category as appropriate,
3. Eliminate waste, including: any packaging, waste produced by the product or service, and waste generated by the eventual disposal of the product,
4. Optimize the use of natural resources and cease, or where this is not possible, minimize the use of plastic and disposable items,
5. For materials that cannot be otherwise avoided or eliminated, maximize their re-circulation within CITYU in such a way that maximizes their value through reuse, repair, re-manufacturing, recycling, and composting,
6. Engage with suppliers to ensure they understand our sustainable procurement requirements, collaborate to find innovative solutions, and ensure they meet comparable appropriate standards within their own supply chain,
7. Seek continuous improvement and innovation about sustainable procurement.

Every successful organisation depends on having a well-developed purchasing process to source all necessary products and services at the best price.

CITYU will continuously monitor and report annually on the performance measures and seek to improve the way we measure the impact of our procurement activities including carbon emissions and social value and will focus these efforts on high value, high impact and/or high-risk commodities.

6.0 INITIATIVES:

1. We will ensure there is sufficient knowledge and capacity in their respective Services to deliver the requirements of the standard and facilitate progress across all those included in the process.
2. We will facilitate the delivery of sustainable procurement through the category management process, including tendering activity, contract management and value tracking, seeking continuous improvement where possible.
3. We will encourage new and existing suppliers to consider and improve the social and environmental impacts of their services and activities by providing appropriate tools.
4. We will consider how we can support the circular economy through our procurement and purchasing decisions.
5. We will make appropriate training available to all staff including procurement specialists, buyers and others involved in purchasing decisions.

7.0 ACTIONS

The Head of Procurement will have the right to exclude any supplier or contractor deemed ineligible to tender for or be awarded a contract. In deciding whether to exclude a supplier or contractor, the Head of Procurement will consider the seriousness of the misconduct, whether it was related to the subject matter of the contract, when it was committed and the action taken or being taken to prevent its recurrence, but this discretion will not apply to convictions for offences where there is a mandatory requirement on public sector contracting authorities to exclude candidates. The Head of Procurement, at his/her discretion will select and audit suppliers to ensure compliance.

Where a breach is identified the Head of Procurement will address the issue immediately; the breach will be reported, investigated and evaluated. Recommendations will be issued for remediation and where possible plans implemented to prevent the breach from recurring in the supply chain.

If necessary, where required improvements have not or cannot be made the Head of Procurement will manage the exit of the relationship with the supplier. The Head of PCS will present appropriate documentation to this effect.

8.0 POLICY REVIEW

The Ethical and Sustainable Procurement Policy is owned by CITYU Administrative and Asset Management Division. Policy Review Procurement will continue to review this policy on a 3-year basis.