

# Responsible Procurement and Socially responsible Procurement of the company





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# Procurement




- **Procurement** is the process of finding, acquiring, buying goods, services or works from an external source, often via a **tendering** or competitive **bidding** process.
- The process is used to ensure the buyer receives goods, services or works the best possible price, when aspects such as quality, quantity, time, and location are compared



# Responsible procurement




- When is the procurement considered responsible?
- Procurement is considered sustainable when organizations broadens this framework by meeting their needs for goods, services, works, and utilities in a way that achieves value for money and promotes positive outcomes not only for the organization itself but for the economy, environment, and society.

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- **Sustainable procurement** is a spending and investment process typically associated with public policy, although it is equally applicable to the private sector.
  - Organizations practicing sustainable procurement meet their needs for goods, services, utilities and works not on a private cost-benefit analysis, but with a view to maximizing net benefits for themselves and the wider world.
  - Sustainable procurement involves a higher degree of collaboration



# Three pillars of sustainability

- Environment
  - Society
  - Economy
  
  - “sustainable procurement should consider the environmental, social and economic consequences of design; non-renewable material use; manufacture and production methods; logistics; service delivery; use; operation; maintenance; reuse; recycling options; disposal; and suppliers’ capabilities to address these consequences throughout the supply chain” (SPTF)
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# Enviromental responsibility

- “Environmentally responsible procurement preserves the environmental interest in a balanced and lasting manner and takes into account the company's performance in the short, medium and long term”.



# BIMBO



- Company number one with commitment to the environment, According Forbes.
- Migration to renewable energies.
- Large fleet of electric vehicles.
- Impulse to an innovative model of Responsible Supply Chain.




An environmentally responsible procurement model should:

- 1.** Establish a commitment in order to ensure compliance with all local and international environmental protection standards, including the transport and storage of waste, toxic substances and hazardous waste. Also committed to the reduction of greenhouse gases and other emissions to the atmosphere, with the control and reduction of water and energy.
- 2.** Encourage the eco-efficient use of resources, raw materials and the reduction of environmental impact, encourage the use of recycled material against non-recycling, and the elimination of substances that may be harmful to the environment.



# Social responsibility

- Policies and procedures designed to **benefit the workplace, the individual, the organization and the community.**
- Six dimensions of the socially responsible contract:
  1. Involvement of the community
  2. Diversity
  3. Environmental protection
  4. Ethics
  5. Respect for human rights
  6. Health and safety

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- A socially responsible contracting can offer a competitive advantage.
  - The aspirations must be high because the expectations of the clients and inverse are high.
  - The companies try to create links between socially responsible contracting and the company's business strategy: "Doing the right thing for both society and business".



- Swiss multinational food and drinks company.
- Nestlé was recognized for the eleventh time, as a Socially Responsible Company.
- Nestlé has managed to reduce its electricity demand by 7% for each tonne produced.



# Economic ( financial )responsibility

There are three key points that regulate the good ethic performance in business:

- The company itself with its employees, one example of good behavior of financial responsibility in a company is its wage response to workers.
- The responsibility regarding the market:  
it is to responding to its customers and therefore to the market, with its products, that is to say, to be financial compensation and in consequence justice between the price of the product and its efficiency.
- intervention of the states,in three ways :
  - monetary policy.
  - fiscal policy
  - Regulatory policy



# Economically Responsible Procurement

consist of acquiring products or services that favor suppliers and / or products that generate a social or environmental benefit for the company.

Criteria for making a SUSTAINABLE PURCHASE :

GREEN PURCHASE Incorporates environmental criteria with the objective of minimizing the impacts generated by business activity.

SOCIAL PURCHASE To take into account:

- Quality in employment
- Equal opportunities between women and men
- Universal accessibility for all people
- Employment companies and special employment centers
- Labor insertion of disadvantaged groups.

PURCHASING ETHICS Derived from social purchasing, it incorporates ethical criteria with the aim of ensuring compliance with decent working conditions throughout the supply chain.

- Support for fair trade initiatives.
- Respect for international conventions, especially those of the International Labor Organization on "decent work".
- The ethical bank.
- Solidarity economy.
- Transparency on the geographical origin of the products.
- Traceability throughout the supply chain.

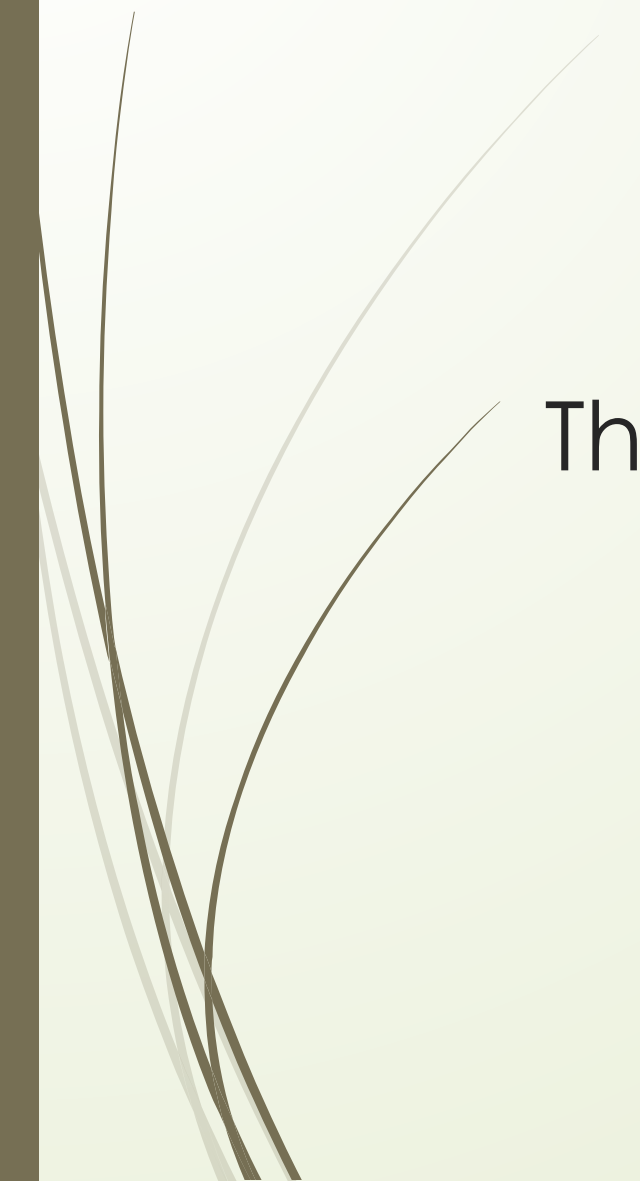



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Thank you for your attention!