

ETHICAL PROCUREMENT POLICY

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Written by the Environmental and Ethical Procurement Group

INTRODUCTION

This policy has been prepared to ensure that ActionAid UK's procurement of goods and services is in line with its mission, vision and values and does not damage the lives of poor people.

In this policy the term procurement is taken to be the complete process of direct and indirect acquisition of goods and services, including agreements with third parties who procure goods or services on behalf of ActionAid UK. It should be read alongside the finance handbook and the Environmental Policy.

Wherever possible this policy is consistent with the ActionAid International Company Fundraising Policy and the Actionaid International Investment Policy.

This policy is binding on all ActionAid UK staff, and budget holders are responsible for understanding the content, and ensuring their teams work within it. It is hoped that the decision making process for ethical procurement is clear and simple to follow. For complex cases there is an understanding that SMT members may need to apply common sense in weighing up ethical considerations with other factors of procurement.

GENERAL PRINCIPLES

ActionAid UK will procure goods and services from companies that work in line with its values and mission, and do not harm the lives of poor and marginalized communities.

ActionAid UK will not procure goods or services from companies

- that it is actively campaigning against.
- within industries that are prohibited under the Actionaid International Company Fundraising Policy. (See Appendix 2.)
- where there is evidence of abuse of labour rights, human rights, or there is proof that their actions have caused environmental damage. (See Appendix 2.)

Where possible ActionAid UK aims to influence companies to bring about positive improvements to the lives of poor and marginalised communities through its procurement relationships.

EXEMPTIONS TO THIS POLICY

- ActionAid UK may need to procure goods and services from companies outside of the scope of this policy if it becomes necessary to do so in order to carry out its campaigning work e.g. Tesco shares.
- ActionAid UK will procure from companies where there are not other alternative ways of acquiring goods and services that are essential to its work

INTERNAL PRACTICES

ActionAid UK will embrace its values in the way in which we conduct our business with our suppliers. In this light procurement will

- be carried out in a fair and transparent manner
- honour our commitments to suppliers
- avoid conflicts of interest
- not abuse our position with suppliers to negotiate unreasonable terms and conditions

SUPPLIERS OF GOODS AND SERVICES

Suppliers of goods and services should comply with ActionAid UK's values and mission. Companies that tender for procurement with ActionAid UK should feedback on how they comply with ActionAid UK's environmental and ethical policies. This should include a compliance statement about their supply chains.

THIRD PARTIES WHO PROCURE ON OUR BEHALF e.g. agencies

These parties should procure within the terms of this Policy.

Companies that tender for procurement with ActionAid UK should feedback on how they comply with ActionAid UK's environmental and ethical policies. This should include compliance statement from their supply chains.

Procurement of materials

Please see below guidance for the procurement of key materials

1. Printed materials

a. Paper

To reduce the impact of its print buying activities on the environment, ActionAid UK will adopt the following measures:

- Print ActionAid's publications on elemental chlorine free recycled paper, using a minimum of 75% post consumer waste with the remainder made up of Forestry Stewardship Council certified pulp. Recycled paper using 100% post consumer waste will be used wherever practicable if the quality of visual images is not compromised by doing so.
- Work with printers who comply with ISO 14001 or ISO9000 and/or work towards complying with the European EMAS (Eco-management & Audit Scheme).

b. Plastic

There are no current accreditation schemes operating for the procurement of plastics, however buyers should refer to the development of the REACH guidelines

c. Cotton

Cotton will be organic and fairly traded wherever possible

2. Wood

Wood used for ActionAid UK's work or sold on behalf of ActionAid UK will be Forest Stewardship Council (FSC) approved.

3. IT and office equipment

ActionAid UK will actively seek to purchase IT/Office equipment and peripherals from manufacturers and suppliers whose policies and standards encourage effective use of resources through reduction, re-use and recycling and furthermore those who comply with legislation governing effective reduction of the environmental impacts of products, such as:

- WEEE – Waste Electrical and Electronic Equipment directive - an EU directive which regulates the collection, treatment, recycling and recovery of waste equipment.
- RoHS – Restriction of the use of certain Hazardous Substances in electrical equipment. This directive bans the sale of new electrical equipment containing more than the agreed level of six specified hazardous substances within the EU.

ActionAid UK accepts that the policies and procedures of some of the market leaders in technology, whose components, parts, software, we use in our day to day business, will not often sit comfortably with our proclaimed views and ethics. We will endeavour, as far as is reasonably practicable and without compromising technological routes through which we could reach our audiences, partners and beneficiaries, to continually review and evaluate IT initiatives which are more in tune with our ethical position.

4. Food

Food procured by ActionAid UK for its staff will be sourced from Fair Trade and/or organic sources wherever possible. Not only does Fair Trade benefit small-scale producers in developing countries by paying them a fair price but it tastes great too!

International Company Fundraising Policy - Prohibited industries list

This list of industries will be updated as and when the related Policy is updated.

1. All extractive industries operating in developing countries
2. Armaments industry and industries producing and/or selling products or services for military use
3. Tobacco manufacturing industry
4. Research & Development (R&D) Pharmaceutical Industry
5. Multinational companies engaged in the agrifood industry
6. Utilities suppliers (water, gas and electricity) with direct or indirect operations (e.g. joint ventures) in developing countries

Risks to ActionAid

1. Human rights

Tangible evidence of

- Taking part in activity which abuses local peoples rights and safety either directly or through states or other organisations
- Carrying out activities which have negative effects on poor people's rights to access essential services such as water, power and healthcare
- Funding or otherwise supporting Governments who are committing grave human rights violations
- Using up scarce resources e.g. local water supplies for manufacturing
- Funding local warfare groups
- Damaging the lives of indigenous peoples

2. Labour rights

Tangible evidence of

- Employing children
- Forced or bonded labour
- Not allowing the formation of trade unions or equivalent
- Staff working in hazardous conditions e.g. being exposed to harmful substances without adequate protection
- Paying salaries that are too low to ensure average standards of living
- Discriminating against staff on grounds of gender, race or religion

3. Environmental damage

Tangible evidence of

Causing grave environmental damage which affects the health or economy of local communities e.g. using high pollutants, toxic products, not disposing of waste appropriately