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Responsible Procurement

WHAT IS RESPONSIBLE PROCUREMENT?

Responsible procurement (also known as sustainable/green procurement, environmentally preferable purchasing [EPP] or sustainable/responsible purchasing) is a process by which environmental, social and ethical considerations are taken into account when making a purchasing decision.

Looking beyond the traditional parameters of price, quality, functionality and availability, it involves choosing products and services that have a lesser or reduced effect on human health, the environment and society when compared to competing items that serve the same purpose.

One of the principles of responsible procurement is life-cycle costing (see more details below). It is a technique that establishes the total costs of purchasing a product or service, from “cradle to grave”, by asking questions relating to each stage of its life cycle. It considers the following:

- whether a purchase is necessary at all;
- what products are made of;
- under what conditions they have been made;
- how far they have travelled;
- their packaging components;
- how they will be used; and
- how they will be disposed of.



Purchasing decisions can have significant environmental and social impacts, particularly for the tourism and hospitality sectors, which often find themselves under pressure to import large numbers of goods, including food, from distant countries to cater for guests' demands.

Hospitality procurement managers should be considering whole life costs when making decisions about what they purchase, whether buying food for their restaurants, furniture for guestrooms, amenities for the spa or outsourcing laundry services. By doing so they will also be helping to influence suppliers' and even consumers' behaviour (see Spotlight on Peninsula Hotels on page 8).

Benefits of responsible procurement

A hotel with a responsible procurement policy can enjoy significant commercial, environmental and social benefits:

Cost savings

When looking at items through their whole life span, products that are more expensive initially can produce savings when they are assessed throughout their lifecycle. Potential procurement cost savings can be created through reduced consumption, longer term pay-back periods or purchasing more efficient and durable products.

Reputation management

Selecting sustainable goods and services from responsible suppliers will enhance the company reputation, increase customer loyalty and attract new customers. Association with a supplier with a poor environmental, social and ethical record can pose a significant reputational risk to a business. In 1996, for example, Nike suffered damaging boycotts by consumers after the company was publicly accused of doing business with overseas suppliers employing child labour. In 1998, Nike announced significant measures to improve working conditions at supplier factories.

Improved access to capital

Institutional investors and lenders are increasingly looking to a company's social, environmental and governance performance. Hotels that practise responsible procurement are more likely to benefit from easier access to capital.

Tax breaks and credits

Businesses can take advantage of government financial incentives for investing energy-saving equipment. Many municipalities in Japan offer subsidies, including low-interest finance, for purchases of energy-efficient appliances while the US state of Pennsylvania offers small businesses energy-efficient grants for equipment that notably improves a company's energy efficiency. In the UK, the Carbon Trust's Enhance Capital Allowances scheme allows businesses to claim 100% first-year capital allowances on investments of qualifying energy-efficient equipment, from boilers to lighting and refrigeration systems.

Promotes innovation

It can encourage suppliers to invest in developing sustainable products, technologies and processes. EcoLab has worked closely with its client Marriott to come up with a low temperature water laundry system, the Aquanomic laundry system, that reduces water and energy consumption by up to 40%.

Good for staff engagement

By showing a genuine commitment to environmental and social issues, responsible procurement can play a contributing factor in attracting and retaining hotel staff as well as creating more highly motivated and productive employees. In *Managing Business Ethics* (2004), Linda Trevino and Katherine Nelson showed that when companies fulfil their employees' expectations about corporate social responsibility, they can achieve better work attitudes, greater productivity and decreased turnover rate.

Environmental benefits

With key customers demanding sustainability improvements, suppliers can be encouraged to make their manufacturing processes and products more environmentally friendly in terms of sourcing "green" raw materials, using less packaging, designing the products to be more energy efficient and consume less water, etc. To achieve this, hotels should be working to engage suppliers so they know and understand your objectives (see "Engaging with and helping your suppliers on page 6).

Social benefits

Making decisions beyond the traditional economic parameters is a way of incorporating appropriate safeguards and checks to avoid abuses and inadvertent infringements on key social issues, such as labour and human rights and health and safety. By requiring more goods and services that are locally sourced, hotels can also support local job creation and other economic opportunities and build a strong relationship with the community.

RESPONSIBLE PROCUREMENT: THE PRINCIPLES

Basic criteria to consider

Quality

Opt for the highest quality you can afford, whether for furniture, uniforms or appliances; have them repaired or serviced when necessary—it's generally more cost effective than replacement and reduces the use of materials and waste.

Energy efficiency

Choose "green" lighting, heating and air-conditioning, which may cost more initially but will produce savings in the long term because of lower operating costs.

Hazardous materials

Avoid products containing toxic substances. Opt for non-harmful alternatives, including non-toxic, water-based, hypoallergenic and biodegradable cleaning products, zero VOC paints and chemical-free amenities.

Natural and organic

Choose certified organic food and drink products and cotton where possible.

Recycled or recyclable

Buy products made from recycled or reclaimed materials (100% recycled content carpet) and/or those that can be recycled or reused at the end of their working lives (upcycling).

Avoid disposable products

Unless they are biodegradable or can be recycled, they add to the accumulation of landfill so choose an alternative with a useful lifespan.

Choose Fairtrade products

These certified items, including tea, coffee and chocolate, promote sustainable development by ensuring poorer producers around the world receive a fair price for their products, enabling them to trade their way out of poverty.

Consider all costs associated with your purchase

To assess the full environmental and social impacts of a product or service purchased, you should consider its cost over its entire life cycle, from "cradle" to "grave", from raw material extraction through to manufacture, distribution, use, repair and maintenance, and disposal or recycling. This is called **life-cycle costing (LCC)**.

As part of your responsible procurement policy, ask suppliers about the impacts associated at each life-cycle stage. Working out the cradle-to-grave costs, or LCC, will help you assess whether paying out an initial higher cost for a product or service can be offset by lower ongoing efficiency savings over its lifespan. In the hospitality industry, LCC can be applied to everything from light bulbs to more complex purchases, such as outsourcing housekeeping services.

The LCC approach can be put into practice in the procurement process in a number of ways. For example, you can calculate the savings on water and energy use or waste disposal of buying a particular product or service.

This is what the Dover Downs Hotel and Casino in Delaware, US, did when they purchased 450 new water-efficient showerheads in 2009 at an initial outlay of US\$11,500. They calculated that the new showerheads, which operate at 1.5 gallons per minute (compared to 2.5 million GPM for the original showerheads), produced water savings of nearly \$14,000 and energy savings of around \$11,600 in the first year. The hotel is now saving \$25,600 annually thanks to the energy-efficient showerheads.

Software or online tools are also readily available to help you work out life-cycle costs, including a calculator offered by the EU Energy Star energy-efficiency programme (www.eu-energystar.org/en/en_008.shtml) and a tool developed by the Swedish Environmental Management Council (www.msr.se/en/green_procurement/LCC).

Ecolabels and certifications schemes

An easy way to source sustainable products and services is to opt for those that carry an ecolabel or are certified by a third-party environmental, social or ethical scheme.

There are hundreds of ecolabels and certification schemes worldwide with some focusing on one environmental aspect only, such as energy efficiency (eg Energy Saving Trust) or sustainable-wood harvesting (Forest Stewardship Council), protection of natural resources or habitats (Rainforest Alliance) or ethical impact (Fairtrade), while others consider the life-cycle impacts of a product or service. The International Organization for Standardization (ISO) describes three types of environmental labelling with only ISO Type I labels certifying that a product or service meets strict standards based on life-cycle assessment; such labels include the Nordic Environmental Label, EU Ecolabel, Hong Kong Eco-Label and Good Environmental Choice Australia, among others.

Online databases such as Big Room's Ecolabel Index (www.ecolabelindex.com) help you identify relevant standards for specific products or services, from food and drink, construction materials and cleaning products to appliances, paper or toiletries. There are fewer recognised certification standards for social issues, but the most popular include Fairtrade, health and safety standards such as OHSAS 18001 and BS8800, and international labour standards (see the International Labour Organization, www.ilo.org/global/standards/lang--en/index.htm).

RESPONSIBLE PROCUREMENT: THE PRIORITIES

Gradual implementation

Think of responsible procurement as incremental and set priorities according to your resources—don't be over ambitious. Start by working with a small group of products and services from sustainable sources—such as recycled paper, non-toxic cleaners, energy-efficient light bulbs and fish—where the environmental and social impacts are well known and sustainable alternatives are readily available. Once you have created your policy, remember to communicate it to as many people as possible, including your staff, suppliers and other stakeholders to help raise awareness of your objectives, gain support and keep up momentum.

“Responsible procurement is a hugely complex process, particularly in the hospitality sector where you are dealing with so many different suppliers providing so many different products and services,” explains Evadne Giannini, principal of Hospitality Green LLC, a New York-based consulting firm specialising in environmental and operations services. “It poses a steep learning curve for hoteliers, which is why it should be about making small, progressive steps. For hotels on the first step to sustainability, one of the first things I recommend is making their paper stream greener. They should also constantly be asking whether a purchase is needed in the first place—do they need those individual butters, that bottled water or those Styrofoam cups? Any waste is a net loss on the balance sheet.”

Consider the impacts

As a starting point, opt for products (cleaning products, vehicles) or services (laundry, staff outsourcing) that are widely known to have a high environmental or social impact. For example, ensure that any staff agencies you use are complying with legislative requirements, including paying employees the minimum wage and awarding statutory sick pay and holiday entitlements.

Establish availability and cost of “green” alternatives

Are there alternative sustainable products (energy-efficient TVs, water-saving washing machines) or services (eco carpet cleaning) on the market, will they meet your sustainability requirements and, if there are extra costs, can these be justified?

Gather background information

Is it easy to find the information needed to set criteria for this product or service, and will it be straightforward to express what you want technically to a supplier? For help with technical specifications, you could refer to the criteria of a reputable certification scheme.



Staff training

Training to give staff the knowledge and understanding of sustainability matters is key to embedding responsible procurement across the hotel.

Supplier improvement

Consider accepting suppliers with poor current sustainability performance if they are committed to embarking on systematic, collaborative improvement processes. The goal is long-term mutual success.

Be aware of green washing

Look for evidence that the product or service you procure is genuinely “responsible”.

HOW TO IMPLEMENT YOUR RESPONSIBLE PROCUREMENT POLICY

1. Create a responsible procurement policy

You will need a simple, clear policy statement easily understood by employees and suppliers that explains your vision and objectives. Make sure it supports your overall sustainability objectives. The sustainable purchasing policy of the UK’s The Beardmore Hotel & Conference Centre (www.thebeardmore.com/about-us/social-responsibility/sustainable-purchasing-policy), for example, lists its criteria when considering a potential supplier, from form of delivery and packaging to a supplier’s energy and water consumption initiatives and its recycling policy at the end of a product’s life.

2. Putting it into effect

- Make a list of all the products and services that your hotel purchases from outside the establishment—from agency staff to detergents, electricity to appliances, furniture to office equipment—and prioritise which areas you could be buying more sustainably. You could use your main corporate social responsibility (CSR) commitments as your guide: if your hotel is trying to reduce CO2 emissions, target those procurements that can help you achieve these goals (eg energy-efficient appliances, renewable energy).
- Identify the people and resources accountable for the implementation of your policy. You will need to allocate responsibilities for everything from updating standards to providing support material to coordinating supplier and staff training and evaluating suppliers’ performance over time.
- Invite key suppliers, staff and a wide base of stakeholders—perhaps local authorities responsible for waste disposal—to participate in the policy and planning stages. It will enhance your policy’s applicability, legitimacy and efficacy.

- Translate your responsible procurement expectations into a clear set of guidelines or a Supplier Code of Conduct, setting out your minimum expectations with a requirement that suppliers confirm that they are in compliance. InterContinental Hotels Group’s Vendor Code of Conduct (www.ihgplc.com/index.asp?pageid=733#conduct), for example, covers the group’s expectations of its suppliers on everything from labour and human rights to environmental protection and the conduct of its suppliers’ subcontractors and suppliers. Explain the policy and what you are aiming to achieve face to face with your suppliers and arrange briefing sessions and workshops.
- Set yourself measurable goals. As part of its responsible procurement policy, India’s ITC Hotels sets its properties targets that include ensuring that 75% of each of its hotels’ purchasing on “ongoing consumables” (products with a low cost per unit that are regularly used and replaced, including paper, toner cartridges, folders and batteries) should contain the following: at least 10% post-consumer and/or 20% post-industrial material; at least 50% materials harvested or extracted and processed should be within 500 miles of the establishment; and at least 50% paper products and wood should be Forest Stewardship Council (FSC)-certified.
- Integrate your sustainability criteria into your purchasing and contracting procedures. Contract clauses can be used to include environmental or social considerations; for example, the requirement that goods be delivered outside peak traffic times or that suppliers take back packaging that comes with the product.

3. Selecting your products and services

Be clear with suppliers about the information you require about their goods and services in your request for proposal (RFP) or tender. You can choose to use a pre-qualification questionnaire (PPQ) to check your suppliers’ credentials before shortlisting interested suppliers.

You might want to consider the following:

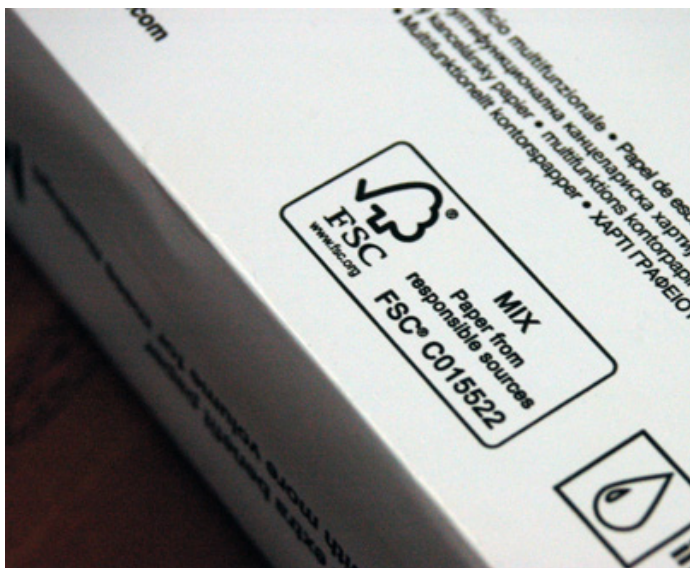
- What are the impacts of the product or service you plan to purchase at the various stages of its life cycle? See checklist below.
- Does the supplier have its own environmental or social objectives and criteria, such as becoming a signatory of the Ethical Trading Initiative? Does it set environmental and social criteria for its suppliers/subcontractors?
- Are they compliant with environmental and social legislation?
- Does the supplier use a certified environmental management system (EMS), such as ISO 14001, to assess and monitor its environmental impacts and maintain legal compliance?
- Collect both qualitative data (eg via simple yes/no questionnaires) and quantitative data (on waste generation, energy consumption, etc). Then you can evaluate the information you have collected and determine which of the suppliers is performing well in relation to your standards.

4. Engaging with and helping your suppliers

- Agree realistic targets or key performance indicators (KPIs) with suppliers to help you evaluate suppliers.
- Evaluate suppliers' progress with respect to targets and inform them as to whether expectations are being met. There should be clear and structured action plans for non-compliance; use "probation periods" to allow suppliers time to address issues and implement plans of action. Peninsula Hotels makes regular site visits to its key suppliers to ensure compliance with its code of conduct and that procedures work in reality, as well as using face-to-face meetings to communicate relevant social and environmental concerns with its suppliers.
- Engage with underperforming suppliers to help them improve their sustainability performance via workshops and/or forums on key issues, such as water and waste management or energy efficiency, or by face-to-face meetings to discuss how improvements can be made. If done well, it can result in product, service and process innovations that will benefit both partners.
- To maintain momentum and support for your programme, acknowledge sustainability improvements by suppliers. For example:
 - Introduce supplier recognition and reward programmes;
 - Make the best performers your preferred choice when contracting;
 - Offer them long-term contracts; and
 - Organise special events to showcase your best performing suppliers.

5. Monitoring progress

You should monitor your suppliers' performance against the various indicators agreed, including KPIs, paper evidence



of supplier claims, third-party verification, or via an external audit. Meet up regularly with suppliers to assess progress and anticipate potential problems, and encourage and communicate feedback to and from suppliers. Finally, report on the progress of your responsible procurement policy. If you are doing this publicly through a sustainability report or within your annual report, remember to communicate the result to your suppliers first.

Keeping track of the real costs: areas to consider at various stages of a product or service's life cycle

Raw materials

- Do any raw materials involve environmentally sensitive issues?
- If so, have appropriate measures been taken to minimise environmental problems?
- Do they damage the local environment when they are extracted?
- Does extraction require a high energy input?
- Are long distances involved in transporting raw materials or inefficient modes of transport of materials involved? (e.g. road or air versus train)
- Does the product contain any recycled or post-consumer waste?
- Were any exploitative practices such as child labour or poor rights/safety for workers involved?

Manufacture

- Does the manufacturer have an environmental policy and programme in place?
- Does the manufacturing process involve high energy input?
- Is current, energy-efficient equipment in use?
- If waste is produced, have efforts been made to reduce it?
- If the generation of liquid effluent is involved, is the supplier working to reduce this?
- Are solvents, glues, chemicals, varnishes, paints or other finishes (e.g. chrome) used that are toxic or pollute the air?
- Are any heavy metals released during manufacture?
- If refrigerants (e.g. CFCs, HCFCs, HCs) are used, are they the least environmentally damaging?
- Is waste or effluent recovered for re-use in the process or for recycling?

- Are any exploitative practices such as child labour or poor rights/safety for workers involved?
- Does the manufacturer offset the carbon emissions created during production?
- Does the product carry an ecolabel or other guarantee that it has been responsibly produced?

Transport and delivery

- Will the product have to travel a long distance from the manufacturer/supplier to the hotel?
- Is the most efficient mode of transport being used over this distance?
- Are any hazards created during transport?
- Have efforts been made to minimise packaging?
- Will the supplier collect used packaging to re-use/recycle?

Use

- Does the product have a good energy efficiency rating?
- Does it minimise water consumption?
- Does it have a negative effect on indoor air quality?
- Will replacement parts have to travel a long distance?
- Will it give long service before it needs replacing?

End of life

- Does the product pose a threat to the environment at the end of its useful life?
- Are there any special requirements for safe disposal that you doubt can be properly met?
- Can you re-use all, most, or some of the material or components?
- Can you recycle all, most, or some of the material or components?
- Is it possible to return the product to the supplier for recycling or reuse?

Trends in Responsible Purchasing

Key findings

Some of the findings of the *Responsible Purchasing Trends* 2010 report published by the Responsible Purchasing Network, a group of buyers dedicated to socially responsible and environmentally sustainable purchasing, were:

- Recycled content, energy conservation and human health considerations are the most important criteria for companies; key general considerations include product performance, price and availability;
- Only one in three purchasers publish a report outlining their green purchasing initiatives;
- Cost is the most significant barrier to responsible procurement;
- Respondents report needing more help with clarifying what is “green”;
- More companies said they would be procuring increasing numbers of “green” products over the next two years and indicated that improving their tracking and reporting will help them achieve this.

Collaborations and partnerships

Many companies are partnering with others in the industry to develop industry-wide procurement standards and share knowledge and best practice. Examples of such initiatives include the Business Social Compliance Initiative (BSCI), Sedex (Supplier Ethical Data Exchange), the Electronics Industry Citizenship Coalition (EICC) and the International Council of Toy Industries’ (ITCI) CARE Foundation.

According to Brad Colton of Marriott International, one of the biggest challenges for hoteliers is not having a consistent “green” measurement. It’s the reason why Marriott has teamed up with hotel suppliers, architecture firms, purchasing companies and sustainability experts to launch the Hospitality Sustainable Purchasing Consortium (HSPC), whose aim is to help create common industry standards for sustainable purchasing.

Working with MindClick SGM, the consortium is developing the web-based Hospitality Sustainable Purchasing Index (HSPI), initially for fixtures, fittings and equipment (FF&E), that will measure and report on the CSR, environmental and product sustainability performance of suppliers. Consortium members will work together to facilitate alignment of HSPI with industry-accepted sustainability standards, including the Leadership in Energy and Environmental Design (LEED) rating system and various product category standards. For more information, see www.greenhotelier.org/index.php?option=com_content&view=article&id=282%3Amarriott-international-helps-to-launch-sustainable-purchasing-consortium&catid=3%3Ainnews&Itemid=50

Local sourcing goes beyond food

Sourcing food and drink locally is now an established strategy for many in the hospitality industry and the practice will continue to expand into other areas of procurement. The benefits of local sourcing are many, including reducing transportation costs, support for the local economy, creation of a strong community relationship, and more certainty and predictability of delivery.

Orient-Express’ Palacio Nazarenas, due to open in the Peruvian city of Cuzco in summer 2012, is sourcing nearly everything in Peru, from its linens to its ceramics and artwork.

The hotel is working with a community of local weavers to produce its textiles and rugs, a local wood carver is making furniture pieces and two of Peru's top fashion designers are creating the staff uniforms.

Recycling industry as a new product provider

As the recycling industry increasingly finds ways of turning waste into new products, so the choice of quality items made out of recycled and/or reclaimed content will grow. Responsible procurement managers will be increasingly looking to the recycling industry as a supplier of alternative "green" products, whether it is recycled aggregates for construction, crockery and glasses made from reclaimed materials or furniture from salvaged timber. At Starwood Hotels & Resort's Element hotels, for example, carpets are made with up to 100% recycled content and wall art is mounted on bases made from reused car tires.

Energy and water efficiency will be priorities

The sharp increase in the price of crude oil, natural gas, electricity and heating oil will continue to compel procurement managers to look for products that use less energy. Concerns about water shortages will also focus hoteliers' attention on finding suppliers committed to using less water in the manufacturing process and water-saving products, from showerheads and taps to dishwashers.

SPOTLIGHTS

Dover Downs Hotel & Casino, Delaware

The business case for having a strong procurement policy is highlighted in the following statistics from the Dover Downs Hotel & Casino, in Dover, Delaware, US. According to its director of purchasing, Jerry Lawrence, the property is enjoying the following savings as a result of its responsible procurement initiatives over the past 12 months:

- \$US30,000 saved by using facial and toilet tissue, napkins and hand towels made of 100% recycled content.
- \$US5,000 saved annually by switching from bottled to filtered tap water in the offices.
- \$US3,500 saved per month from the installation of an energy-efficient Rational Oven.
- \$US60,000 approximately will be saved over five years after the installation of an energy-efficient Canon copier/printer.

The hotel is also working to replace all plastic plates, utensils and "to go" containers with biodegradable alternatives so that they can be composted along with its food waste. It is also replacing its garbage bags with biodegradable alternatives.

Peninsula Hotels

Responsible procurement policies can also affect consumer habits. On 1 January 2012, the prestigious Asian group Peninsula Hotels, owned by Hong Kong and Shanghai Hotels,

stopped serving shark fin dishes in its nine hotels, including those in China and Hong Kong, where it is considered a delicacy. "By removing shark fin from our menus, we hope that our decision can contribute to preserving the marine ecosystem for the world's future generations," said the group's chief executive, Clement Kwok. According to the Australian Marine Conservation Society, worldwide shark numbers have fallen by 90% in recent decades, largely attributable to shark finning.

Courtyard Newark at the University of Delaware

With the help of consultants New York-based Hospitality Green LCC, who trained the hotel's Green Team, the Marriott's Courtyard Newark at the University of Delaware has implemented a number of successful initiatives, including switching to "green" chemicals.

"We've reduced the chemicals we use from 11 to five, and have cut our costs by 60%," explains Tracy Holmes, the hotel's general manager. "There was some resistance from housekeeping staff so we involved them, explained the positive health benefits of using less chemicals and insisted that the supplier come in and train our staff.

"We have now been inundated with companies trying to sell us 'green' products but, because of our 'green' training, we don't waste our time and money with vendors who are keener to make money than contribute to the hotel's sustainability programme. We select our products based on third party certifications, knowledge that we've gained from our training and monitoring what products work."

Westbury Street Holdings

The UK's Westbury Street Holdings, which through its subsidiaries delivers catering and hospitality services, is a large-scale purchaser in the food services industry and continues to look for ways to reduce its environmental impact. Where possible, products are sourced from UK producers to deliver real environmental benefits and improved quality by reducing the time from "gate to plate". Its current initiatives include:

- Sourcing all fresh produce from UK producers that are accredited to schemes such as Red Tractor, Welsh Lamb and EBLEX (the organisation for the English beef and sheep meat industry).
- Developing a policy for sourcing fish that meets and exceeds the Marine Stewardship Council (MSC) requirement for sustainability fish stocks.
- Sourcing free-range eggs from chickens reared in accordance with the RSPCA Freedom Farm standards.
- Sourcing coffee that is Fairtrade, Rainforest Alliance- and Soil Association-certified.

Westbury requires its suppliers to be fully audited by an independent third party for legislative compliance for the category of products they provide, and to have local distribution capability thereby ensuring minimum carbon footprint. Suppliers are also selected for being able to show they are improving their environmental management systems (EMS).

Marriott International

Marriott has recently created a business conduct guide, which it attaches to all supplier contracts. "It is important for us to share our sustainability objectives with our suppliers and encourage them to come up with 'greener' options," says Brad Colton, senior director procurement, Marriott International.

Suppliers are asked to provide specific reports on sustainable practices that are important to the hotel group, such as water and energy use and waste creation and disposal. "At this stage it is about encouraging suppliers to become more sustainable; we are not in a position to audit them yet, although we do plan to," adds Colton. "Our suppliers cover such a wide range of products and services and we cannot pretend to be experts in their fields. By establishing standards, we see Marriott's role as encouraging our suppliers to focus on sustainability and come up with environmentally and socially beneficial solutions that are also cost-effective for our business."

Accor

With hotels in 90 countries, Accor's purchasing power is significant, buying approximately €3 billion annually from 2,800 suppliers from around the world. In 2003, it launched the Sustainable Purchasing Charter requiring the company's various purchasing departments to make a commitment to request information from their suppliers on their social and environmental policy. The Charter has recently been updated and includes what it expects of its suppliers, including: compliance with the principles of the Charter; commitment that their own suppliers and subcontractors meet the same principles; participation in a supplier self-assessment and implementation of action plans if required; and participation in any audits requested by Accor or a third party and the implementation of any necessary action plans. Suppliers must also comply with national or international regulations relating to their activities, the United Nations Universal Declaration of Human Rights; the Core Conventions of the International Labour Organization, and the United Nations Global Compact, which Accor joined in 2003.

The F1, Etap Hotel, Ibis and Mercure and Sofitel hotels offer guests Fairtrade products. The Sofitel and Ibis hotels give priority to purchasing seasonal products and local dishes. Sofitel Royal Angkor in Cambodia, in partnership with NGO Agrisud, has purchased its food supplies from small local producers since 2004, as well as providing training to develop farmers' expertise and help them diversify their crops.

Accor's future responsible procurement goals include consolidating the number of hotels that offer eco-labelled products and promoting Fairtrade products in the new countries in which it operates.

Westbury Street Holdings

Fairmont Hotels & Resorts purchases sustainable products where possible, and has launched a number of initiatives over the past few years, including:

- Serving locally sourced and organically grown products, including organic and biodynamic wines and beverages, such as its own range of specialty teas developed by the

Metropolitan Tea Company, the only North American member of the Ethical Tea Sourcing Partnership.

- Ensuring all Fairmont collateral, including stationery and brochures, is produced on FSC-certified paper.
- Removing threatened fish species, such as Chilean sea bass, bluefin tuna and shark fin, from its menus, and aligning all of its properties with local reputable seafood watch organisations.
- Developed a Green Procurement Policy and Supplier Code of Conduct to educate and encourage key suppliers to provide products in accordance with Fairmont's guidelines. They have been working with suppliers to improve energy efficiency of their manufacturing operations and product design and minimise shipping frequency and packaging waste.
- Switching its global supplier of cleaning products to an environmentally preferable one—Ecolab.
- Stipulating that IT products are either EPA Energy Star- or Electronic Product Environmental Assessment Tool (EPEAT)-rated.

It is currently undergoing the implementation of a responsible procurement policy that includes creating a supplier declaration to guarantee that all its suppliers are aware of, and actively participate in, the company's environmental mandate.

ACKNOWLEDGEMENTS

Accor

www.accorhotels.com

Business Link

www.businesslink.gov.uk

EarthCheck

www.earthcheck.org

Fairmont Hotels & Resorts

www.fairmont.com

HospitalityGreen LLC

www.hospitalitygreen.com

International Tourism Partnership's *Environmental Management for Hotels*

www.tourismpartnership.org/itp-shop

ITC Hotels

www.itchotels.in

Marriott International

www.marriott.com

Peninsula Hotels

www.peninsula.com

Sustainability4Hospitality

www.sustainability4hospitality.com

The Swedish Environmental Management Council

www.msr.se

United Nations Development Programme Procurement Support Office

www.undp.org/procurement

Westbury Street Holdings

www.baxterstorey.com

FURTHER INFORMATION

Avendra

www.avendra.com

Carbon Trust

www.carbontrust.co.uk

Coperama

www.coperama.com

Department for Environment, Food and Rural Affairs (Defra)

www.defra.gov.uk

Ecolab

www.ecolab.com

Ecolabel Index

www.ecolabelindex.com

Ethical Trading Initiative

www.ethicaltrade.org

Fairtrade Foundation

www.fairtrade.org.uk

Global Ecolabelling Network

www.globalecolabelling.net

Hospitality Sustainable Purchasing Consortium (HSPC)

www.hspiconsortium.com

International Labour Organization

www.ilo.org

International Organization for Standardization

www.iso.org

Marine Stewardship Council

www.msc.org

Procter & Gamble

www.pg.com

Rainforest Alliance

www.rainforest-alliance.org

Responsible Purchasing Network

www.responsiblepurchasing.org

Sedex

www.sedexglobal.com

Social Accountability International

www.sa-intl.org

Soil Association

www.soilassociation.org

Strategic Amenity Alliance

www.saa-worldwide.com

Traidcraft Exchange's Responsible Purchasing Initiative

www.traidcraft.co.uk

United Nations Global Compact

www.unglobalcompact.org

Walmart

http://walmartstores.com/sites/sustainabilityreport/2010/social_responsible_sourcing.aspx

WRAP's (Waste & Resource Action Programme) Guide to Green Procurement

<http://envirowise.wrap.org.uk/uk/Our-Services/Publications/GG921-A-guide-to-green-procurement.html>