



VANCOUVER PARK BOARD POLICIES AND PROCEDURES

SUBJECT: Vancouver Park Board Ethical Purchasing Policy	
CATEGORY: Finance	POLICY NUMBER:

PURPOSE

The goal of the Ethical Purchasing Policy (EPP) of the Vancouver Board of Parks and Recreation (the Park Board) is to ensure that all suppliers to the Park Board meet, at a minimum, the performance standards outlined in the Supplier Code of Conduct, which includes core labour conventions of the International Labour Organization (ILO). It demonstrates a commitment to sustainability by seeking to ensure safe and healthy workplaces for the people who make products for the Park Board, where human and civil rights are respected. The EPP also ensures that purchasing activities are aligned with the Park Board's Mission Statement and Values.

The policy establishes an avenue whereby complaints of abuses in workplaces that are involved in the manufacture of apparel and agricultural products purchased by the Park Board can be made to the Park Board. The Park Board will determine the level and the degree necessary to investigate and act upon complaints.

The policy is not intended to interfere with the Park Board's collective agreements.

SCOPE

This policy applies to all Park Board staff. The EPP applies to the Park Board's procurement of apparel items and fair trade agricultural products, including coffee.

DEFINITIONS

Purchasing refers to the process of procuring products from manufacturers or vendors.

Suppliers are companies that have a direct business relationship to the Park Board. These companies may have factories or production facilities of their own or they sub-contract parts or their entire production.

Sub-contractors are companies that have been sub-contracted by our suppliers. They do not have a direct business relationship with the Park Board.

Factories or Production Facilities are factories producing products for the Park Board, whether it is a supplier's factory or subcontractor's facility.

Fair Trade Certification is a system that seeks to improve the lives of agricultural product producers in origin countries by ensuring that the owners of farms receive a guaranteed fair price for their harvest. Transfair is the recognized certification body in Canada.

Fair Trade Agricultural Products are products that are agricultural in origin that can be Fair Trade Certified by Transfair Canada, or if unavailable, another National Initiative (NI) of the Fair Trade Labeling Organization (FLO) International. Examples of commodities

currently include coffee, green and black tea, cocoa products, sugar, and bananas and other tropical fruit.

Fair Trade Labeling Organization (FLO) International is the global Fair Trade standard setting and certification organization for products bearing Fair Trade certification labels. FLO certifies producer organizations, and audits trade between certified producer organizations and registered traders in consuming countries, including all steps of processing and industrial manufacturing.

National Initiative (NI) is a FLO member organization based in a consuming country that monitors Fair Trade Certified product supply chains from the point of importation, and is responsible for monitoring and setting standards for usage of the Fair Trade Certified logo.

Certified Organic is a certification system that requires agricultural production without the use of synthetic pesticides, herbicides, or chemical fertilizers, and that contributes to a healthy environment including clean groundwater.

International Labour Organization (ILO) is the UN specialized agency which seeks the promotion of social justice and internationally recognized human and labour rights. The ILO formulates international labour standards in the form of Conventions and Recommendations setting minimum standards of basic labour rights.

Supplier Code of Conduct (SCC) sets the minimum performance standards for the Park Board's Ethical Purchasing Policy. The goal of the SCC is to ensure safe and healthy workplaces for the people who make products for the Park Board; where human and civil rights are upheld in accordance with the conventions of the ILO.

ILO Core Labour Conventions means the minimum labour standards set out in the Supplier Code of Conduct.

POLICY STATEMENTS

1. Guiding Principles

1.1. The Park Board will follow the City of Vancouver's EPP guiding principles, which state that the City of Vancouver will:

- ensure that its Ethical Purchasing Policy (EPP) and accompanying Supplier Code of Conduct (SCC) are reviewed regularly and require compliance with ILO core labour conventions
- share information with current and future suppliers so they are aware of the City's expectations in terms of product certification and workplace practices
- rely on a combination of approved external independent certifications, supplier disclosures and certifications, and public disclosure of information about factory and production facilities, to ensure that suppliers comply with the EPP
- evaluate and accept on a case-by-case basis any instances where it is reasonably determined by the City or supplier practices may differ from policy so long as the purpose and spirit of the policy is always upheld

- work with suppliers who do not fully comply with the policy to assist them to improve their workplace practices
 - reserve the right to discontinue business with suppliers who are not responsive to requests to address concerns around workplace practices and instances of non-compliance with the EPP
 - where opportunities exist (or are emerging) work collaboratively with other organizations on mentoring and verification processes (e.g. municipalities)
 - require that suppliers ensure subcontractors comply with the SCC
- 1.2. The Park Board recognizes that to be successful and meet its stated objectives that its EPP must also be based on:
- *Collaboration*: Working with suppliers and other key stakeholders to continuously improve purchasing activities and workplace practices.
 - *Credible verification*: Working with recognized agencies to ensure compliance with the SCC (E.g. Fair Labour Association, Verite, Workers Rights Consortium).
 - *Fiscal responsibility*: Ensuring that implementation and management of the EPP is aligned with approved resource allocations.
 - *Fairness and Transparency*: The decision making process must be open, transparent and respect the rights of all key stakeholders to a fair and just process.

2. Implementation, Compliance and Monitoring

- 2.1. The Park Board will incorporate criteria in the overall evaluation process of suppliers related to corporate social responsibility, workplace practices and fair trade certification in the award of contracts. The Park Board will differentiate the application of the EPP for products where customer choice is not an issue i.e. those not for resale to the public, from application for products where customer choice is impacted i.e. products for resale to the public. In both cases the SCC will be one of the criteria in the overall evaluation process.
- 2.2. Differentiation between products impacted by customer choice will be as follows:
- 2.2.1. For products where customer choice is not an issue, the Park Board will not knowingly award contracts to any supplier who is not in substantial compliance with the performance standards contained in the SCC.
- 2.2.2. For products where customer choice is impacted, bids would be accepted for both fair trade certified products and non-certified products. In determining the award of such contracts, where all factors are generally equivalent, the contracts will be awarded as though the product was not impacted by customer choice. However, for contracts where the products are being resold to the public, should the costs of certified fair trade items be higher than non-certified items, the Board will reserve the right to bypass the EPP and use the criteria of best value to the Board in awarding contracts. Justification will be

provided to and written approval will be requested from the Director of Corporate Services or the General Manger when bypassing the use of the EPP in awarding a contract. This could include a joint award of both certified fair trade products and non-certified products for resale, in order to offer more choices to Park Board customers.

- 2.3. The Park Board expects all its suppliers to respect it is SCC and to actively do their utmost to achieve the Park Board's standards. The Park Board believes in cooperation and is willing to work with its suppliers to improve performance where necessary.
- 2.4. The Park Board expects that new or potential suppliers commit to respect the attached SCC within a reasonable period of time as mutually agreed to by the Park Board and supplier at the time of contract. In choosing new or potential suppliers, the Park Board will give preference to suppliers who are already in compliance with SCC standards over those who are not.
- 2.5. The Park Board will require that suppliers uphold the SCC through specific language in supplier contracts, including agreement to independent facility inspections if so desired by the Park Board or the City.
- 2.6. The Park Board will require that suppliers provide details on factory and production facility locations of suppliers and subcontractors and will make this information publicly available (e.g. annual reports, web site postings, etc).
- 2.7. The Park Board Purchasing Manager will respond to and investigate credible complaints with respect to violations of the SCC that are brought to his/her attention using a combination of research and dialogue with suppliers.
- 2.8. If the Park Board Purchasing Manager believes that workplace conditions do not meet the standards outline in the SCC, he/she will notify the supplier and request that corrective action be taken.
- 2.9. The Park Board reserves the right to ask for proof of compliance with all applicable labour, health, safety, and environmental laws, and may inspect working conditions, at any time (or request independent verification of compliance). Suppliers must maintain current and sufficiently detailed records to substantiate their compliance with the SCC and the Park Board may ask that they are independently verified at the supplier's expense.
- 2.10. Compliance with the SCC will become part of the Park Board's supplier evaluation process (along with other factors including service, performance and whether or not the product is being purchased for resale to the public, as specified above).

3. Reporting and Evaluation

Application of the Park Board's EPP will be monitored by the Park Board Purchasing Manager who will annually report to the Board on implementation progress, financial implications, supplier compliance, complaints and remediation activities, supplier feedback, and other stakeholder input. Where the Park Board has knowingly entered into, or maintained, contracts with suppliers and their subcontractors who do not fully comply

with the EPP, these exceptions will be reported to the Board along with a rationale for maintaining the ongoing relationship.

4. Review

Park Board staff will be responsible for ensuring that the Park Board’s EPP is reviewed and updated to incorporate applicable changes which result from changes to the City’s EPP. The Manager of Materials Management will be responsible for reviewing the City’s EPP and the SCC annually and reporting findings to Council annually. Through consultations with key stakeholders (suppliers, subject experts, city staff, etc.) the Manager of Materials Management will identify and recommend revisions to the City’s EPP and SSC. Such review will include a review of new items for potential inclusion within the scope of the EPP (e.g. new fair trade certified agricultural products).

REFERENCE

Supplier Code of Conduct

RELATED POLICIES

COV Ethical Purchasing Policy

APPROVAL HISTORY

ISSUED BY:	APPROVED BY:	DATE:
AMENDED BY:	APPROVED BY:	DATE: