Circular & Fair ICT Pact

CFIT Framework for

Circular and Fair ICT Procurement

CFIT is an action under the UN One Planet Network SPP Programme

One planet handle with care

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1. Introduction

About the Circular & Fair ICT Pact (CFIT)

Our modern world is built on ICT. Our computers and smartphones connect us, support us, and provide us with countless opportunities for participation and business. But the omnipresence of ICT comes at a price. The devices we use are short-lived and easily discarded. High carbon emissions, exploitation and child labour, and an ever-growing pile of e-waste constitute the flipside of our ICT dependency. As procurers of ICT, we share the responsibility for these negative effects. But we also hold a key to help create a sustainable ICT industry. The Circular & Fair ICT Pact is the way to bring us together.

The Circular & Fair ICT Pact (CFIT) is an international partnership that aims to accelerate sustainable production and use of circular and fair ICT products worldwide through the power of procurement. Our objective is to promote having these products widely available on the market by 2030.

The partnership seeks to empower individual procurers by connecting them to their peers, encouraging knowledge sharing and providing good examples, guidance and common, easy-to-use procurement criteria. Together we will leverage our collective procurement power, in close dialogue with the ICT supply side, to effect the change and innovation we need. CFIT is an action under the UN One Planet Network SPP programme. For detailed information about the Circular & Fair ICT Pact and its ambitions, please visit www.circularandfairictpact.com.

The aim of this document

This document sets out the framework within which CFIT procuring participants will operate to the best of their capabilities and in line with their national and / or organisational priorities. This framework comprises the following elements, which are addressed in the following sections:

- Adverse impacts and CFIT central ambitions to address these: circularity, fair, climate & energy, and chemicals
- An introduction to the procurement cycle of circular and fair ICT, including the stages that precede and follow the actual tender process
- Our four core strategies to reduce adverse impacts of ICT: Buy Less, Buy Better, Use Better and Use Longer

With this document we support public and private organizations procuring ICT, in particular those developing and implementing sustainable ICT strategies, ICT managers and procurement managers responsible for ICT category management. It may also be of value to procurement officers, although CFIT will provide more detailed guidance and examples of ICT procurement criteria subsequently.

2. CFIT central ambitions to address adverse impacts

The adverse impacts of ICT

The supply chain of ICT is long and complex. Potential adverse impacts can be found in all stages of the ICT life cycle, from raw material extraction to waste processing. These include for example, environmental and social impacts associated with the extraction and use of non-renewable and sometimes scarce resources. During the production stages, lack of proper personal protective equipment increases health risks for workers, arising for instance from exposure to toxic chemicals. Working conditions can also be affected by issues such as low wages, long working hours, forced labour and limitations regarding freedom of association and collective bargaining. Logistics along the value chain and the use of electronic devices are stages that are primarily associated with impacts from packaging, fuel use and energy consumption. Last but not least, processing of e-waste may lead to labour and occupational health and safety risks as well as environmental risks.

CFIT central ambitions

CFIT participants aim to reduce these adverse impacts through circular and fair procurement. Procuring circular means we maximize the lifetime of products and their components, stimulate innovation, boost the use of refurbishment, remanufacturing and repair, close material loops and minimise carbon emissions and other environmental impacts. Procuring fair means we promote transparent value chains and champion human and worker rights, as well as fair and safe working conditions.
CFIT participants have formulated four ambitions that address the impacts associated with the production, use and disposal of ICT:

Circularity – closing ICT product and materials loops. Our aim is to reduce the consumption of virgin material resources, optimize product lifetime and retain value by closing ICT product and material loops.

Fair – contributing to fair and ethical working practices throughout the value chain. Our aim is to ensure that procurement of ICT has a positive impact on stakeholders of the value chain, from raw materials, production and assembly, to end-of-life management.

Climate and energy - reducing the carbon impacts of ICT procurement. Our aim is to minimize the climate impact of ICT products by reducing greenhouse gas emissions and reducing direct and indirect energy consumption over the product lifecycle.

Chemicals – reducing impacts from chemicals of concern associated with ICT products. Our aim is to reduce the use of chemicals of concern and to encourage the design and production of ICT products using only safe chemicals.

3. Circular and fair procurement of ICT

In sustainable procurement, the focus is often on the tender stage. However, we also have options to leverage change before and after the tender stage. So we need to take all stages into account and think of procurement as a cycle. For the CFIT participants, therefore, circular and fair procurement of ICT comprises all the stages described in Figure 1.

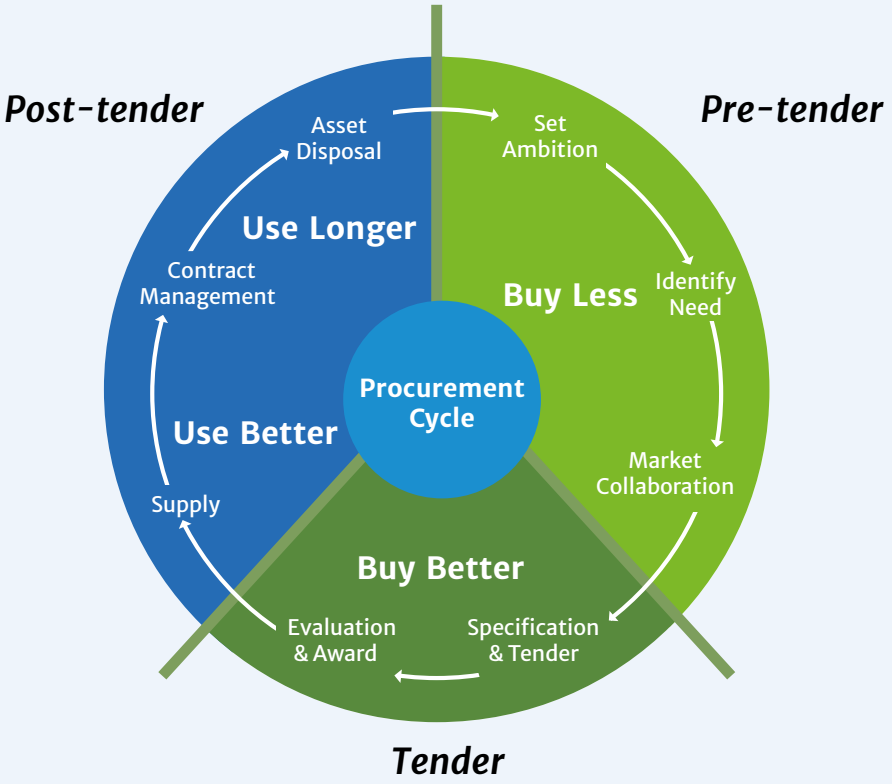

***Figure 1** – The stages of circular and fair procurement*

Particularly for those ICT products for which the majority of the environmental and social impact is associated with the production stage, the greatest opportunities for improvement exist before the tender stages. This is the case, for instance, for most workplace equipment. A strategic approach to sustainable procurement of ICT, considering life cycle impacts, is therefore important.

Some general recommendations include:

- Creating a blueprint for current and future needs through effective planning will help to identify the potential for reducing impacts from new ICT. For a strategic approach to be successful, it is critical to consider the impacts in all stages of the product life cycle, from production, to sourcing, through use, to end-of-use.
- Adopt robust procurement processes and procedures, including operational management, which help drive continuous improvement and circular and fair principles across the ICT value chain.
- Collaborate with other buyers, and with the supply chain, to understand the potential for circular and fair ICT solutions in the market and how best to access them.
- Work with manufacturers, resellers, and suppliers through market engagement to improve transparency of the supply chain to reduce impacts from production and end-of-life management.
- Make use of certification and independent auditing where appropriate and embed it into procurement practices.
- Monitor and regularly report progress on circularity, climate impact, environmental impact and social responsibility supported by regular dialogue for continuous improvement.
- Consider compensation of for example GHG emissions in the value chain and in the use phase.

4. Core strategies

Our core strategies for achieving the CFIT ambitions with regards to circularity, fair, climate & energy and chemicals are to:

- **Buy Less**
- **Buy Better**
- **Use Better**
- **Use Longer**

In this section we share the commitments that CFIT participants consider as part of their procurement strategies.

To achieve results with the above mentioned strategies, sometimes actions will be taken in different stages of procurement cycle. For example, to achieve that products are used longer, you will set criteria in the tender stage on aspects such as longevity, reparability and security updates. Using products longer, will also require changes in operational management and asset disposal procedures.

Buy Less

Buying less means meeting the ICT needs in a balanced way that recognises that purchasing new products may not be the only option. It does not mean increasing risk or going without. Buying less will reduce our dependency on virgin materials and substances of concern and their associated impacts, for example, by reducing the size and/or number of screens required, combining personal & business devices, by utilising dual sim devices and Bring Your Own Device schemes where relevant.

Buy Less commitments
We challenge the need to buy and we replace only what needs to be replaced
We minimize the complexity of products wherever possible (in order to reduce resources in production and use)
We identify and act on the potential to reduce consumption of products containing chemicals of concern

Buy Better

If the functional need establishes that new products are required, then buy better. Buying better focusses on the tendering stages of the procurement cycle. The key to buying better is to integrate the right criteria in the tender so that the potential of the other strategies later in the procurement cycle can be realized. For example, some steps to consider when procuring laptops, mobile devices and broader ICT include:

- Consider lifecycle impacts – criteria and specifications should aim to address the whole life cycle impacts of the intended purchase and not just the technical functionality of the device. Criteria are required on four levels: supplier selection, product and accessories, servicing, delivery and maintenance, and options to reduce end-of-life impacts.
- Engage the market early – determine if a tender specific market engagement exercise is appropriate, for example by means of a 'meet the buyer event', a prior information notice or request for information to assess the availability of circular products and services, and the means of verification.
- Identify quick wins – include circular criteria in tenders to reduce the impacts of purchasing new ICT, develop evidence for further action and upscaling, and facilitate collaboration.
- Consider the appropriate procurement tools available - use relevant tools in setting requirements and in evaluating the verification of both circular and social claims, for example, standards and ecolabels that best reflect the Circular and Fair ICT aims of the ICT procurement.

Buy Better commitments
We facilitate greater transparency throughout the value chain
We work with all value chain partners to drive due diligence with regards to human rights, decent work and occupational health and safety
We include International Labour Organization's core conventions and additionally C.170 (chemicals) principles into relevant contracts
The products we procure can be reused, refurbished, and ultimately recycled through verifiable partners and supply chains when we have finished with them
We encourage and contribute to design for durability, reparability, upgradability and re-use (including OS support and data security) as well as safe and easy recycling
We work with our supply chain to ensure strong battery efficiency performance
We work with our suppliers and their supply chains to actively, and verifiably, reduce dependency on chemicals of concern in ICT products and replace them by safe chemicals
We reduce our dependency on virgin and scarce materials by asking for more secondary/recycled and/or biobased materials
We promote carbon and energy reduction policies in the value chain
We buy energy efficient devices
We stimulate replacing fossil-based electricity by renewable energy in the value chain

Use Better

Utilising ICT more efficiently can reduce both product and energy needs. For example, making sure that efficient configurations are used, that equipment is shut down when people leave the office, and that proper care is taken of equipment and accessories, directly contributing to lifetime extension.

Use Better commitments
We share hardware e.g. through digital services and combining private / work use where relevant
We operate behavioural mechanisms for care and ownership and protect products adequately
We use our ICT more efficiently (and use efficient configurations)

Use Longer

Devices should be used as long as possible. Extending their lifetime is therefore key; ensuring that devices are repaired, where feasible, or considering upgrading options of existing equipment.
It is also important not to leave options for end-of-life management of ICT equipment to the point of disposal. Planning for longer use means end-of-life considerations should be assessed early in the procurement cycle. In that way, it is possible to identify the best available options for mitigating the impacts of waste electronic and electrical equipment.

Use Longer commitments
We routinely assess our used e-products for reuse, repair or refurbishment. When we dispose of products, we do so via the appropriate route allowing for recycling. In doing so, we make sure that used products get either reused, repaired, refurbished or disposed of through verifiable partners and supply chains.
Our contract monitoring enables us to report on impacts and what happens to products, components, and materials after the end-of-life, or to products for their second life
We extend the lifespan of our devices e.g., through extended service agreements covering repair and replacement, longer warranties, increased timespan for operating systems etc.

Annex

Annex 1: Overview of commitments

The table provides an overview of the commitments presented under each of the four strategies in section 3: Buy Less, Buy Better, Use Better and Use Longer.
In addition, the table connects these commitments with the ambitions described in section 2: circular, fair, climate & energy, and chemicals. Which commitment contributes to what ambition is not all black and white, and many of the commitments are in fact interlinked. The ticks (✓) in Table 1 reflect commitments specifically relevant for a particular theme. The (●) highlights this commitment also delivers on other themes.

Commitment	Circular	Fair	Climate	Chemicals
Buy Less				
We challenge the need to buy and we replace only what needs to be replaced	✓		●	●
We minimize the complexity of products wherever possible (in order to reduce resources in production and use)	✓		✓	
We identify and act on the potential to reduce consumption of products containing chemicals of concern	●		●	✓
Buy Better				
We facilitate greater transparency throughout the value chain	●	✓	✓	●
We work with all value chain partners to drive due diligence with regards to human rights, decent work and occupational health and safety	●	✓		✓
We include International Labour Organization's core conventions and additionally C.170 (chemicals) principles into relevant contracts		✓		✓
The products we procure can be reused, refurbished, and ultimately recycled through verifiable partners and supply chains when we have finished with them	✓	●	●	✓
We encourage and contribute to design for durability, reparability, upgradability and re-use (including OS support and data security) as well as safe and easy recycling	✓		●	●
We work with our supply chain to ensure strong battery efficiency performance	✓		✓	
We work with our suppliers and their supply chains to actively, and verifiably, reduce dependency on chemicals of concern in ICT products and replace them by safe chemicals	●	●	●	✓
We reduce our dependency on virgin and scarce materials by using more secondary/recycled and/or biobased materials	✓		●	●
We promote carbon and energy reduction policies in the value chain and in the use phase	●		✓	
We buy energy efficient devices	●		✓	
We stimulate replacing fossil-based electricity by renewable energy in the value chain	●		✓	

Commitment	Circular	Fair	Climate	Chemicals
Use Better				
We share hardware e.g. through digital services and combining private / work use where relevant	✓		●	
We operate behavioural mechanisms for care and ownership and protect products adequately	✓	●	●	
We use our ICT more efficiently (and use efficient configuration)	●		✓	
Use Longer				
We routinely assess our used e-products for reuse, repair or refurbishment. When we dispose of products, we do so via the appropriate route allowing for recycling. In doing so, we make sure that used products get either reused, repaired, refurbished or disposed of through verifiable partners and supply chains.	✓		●	✓
Our contract monitoring enables us to report on impacts and what happens to products, components, and materials after the end-of-life or to products for their second life	✓	●	●	✓
We extend the lifespan of our devices e.g., through extended service agreements covering repair and replacement, longer warranties, increased timespan for operating systems etc.	●		✓	

Buy Less

Buy Better

Use Better

Use Longer

This document was developed with members of the CFIT working group on Guidance and Criteria.

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