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Procurement for Competitive Advantage

How ISO 20400 Drives Business Value and Sustainability

Live webinar

วันพฤหัสบดีที่ 29 พฤษภาคม 2568

เวลา 10.00-11.00 น.

บรรยายโดย

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สถาบันมาตรฐานอังกฤษ (BSI)

ISO 20400 Sustainable Procurement

Driving Sustainable Procurement with ISO 20400

A New Opportunity for Our Clients

Five pain points

ISO 20400

Pain Points: ISO 20400 Addresses

1. Lack of Transparency in the Supply Chain

"We don't know what's happening beyond our Tier 1 suppliers."

ISO 20400 helps:

- Integrate due diligence and supplier assessment processes

- Increase visibility of environmental/social risks across the entire supply chain

- Promote traceability and accountability

2. Reputational Risks from Supplier Misconduct

"What if our supplier is exposed for unethical practices?"

ISO 20400 helps:

- Embed sustainability criteria into supplier selection and performance reviews
- Align procurement with company values and compliance expectations

Pain Points: ISO 20400 Addresses

3. Procurement Seen Only as a Cost Center

"Our procurement team is pressured to go with the cheapest option."

ISO 20400 helps:

- Promote total cost of ownership (not just upfront price)
- Encourage life cycle costing, risk reduction, and value creation

4. Confusion Over Sustainability Goals

"We don't know how to link procurement to our ESG or SDG targets."

ISO 20400 helps:

- Aligns procurement with sustainability strategies and ISO 26000 principles
- Provides a clear framework for integrating sustainability into buying decisions

Pain Points:
ISO 20400 Addresses

5. Struggling with Reporting and Compliance

"We're not sure how to show progress or meet new regulations."

ISO 20400 helps:

- Structures procurement data for easier ESG, CSRD, or due diligence reporting

- Demonstrates commitment to responsible sourcing

Introduction

การบูรณาการหลักการด้านสิ่งแวดล้อม สังคม และการกำกับดูแล (ESG) กลายเป็นแรงผลักดันสำหรับความสำเร็จในระยะยาวของธุรกิจ

Driven factors

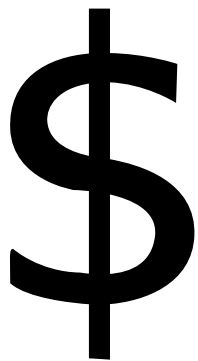| Environmental concern | Social responsibility | Ethical operations |

SUSTAINABLE PROCUREMENT
เป็นเสาหลักสำคัญของการเปลี่ยนแปลงนี้

Sustainable Procurement

เปลี่ยนจากการมุ่งเน้นในด้านต้นทุนและประสิทธิภาพการดำเนินงาน ไปเป็นแนวทางแบบองค์รวมที่

พิจารณาปัจจัย ESG ตลอดทั้งห่วงโซ่อุปทาน

- การลดต้นทุน
- นวัตกรรม
- การปรับปรุงแบรนด์
- การดึงดูดนักลงทุน
- การลดความเสี่ยงเชิงรุก

Sustainability procurement leaders are key to this transformation

การเปลี่ยนแปลงไปสู่การจัดซื้อที่ยั่งยืนไม่ใช่แค่การปรับตัวเท่านั้น แต่ยังรวมถึงการคว้าโอกาสและเป็นตัวเร่งปฏิกิริยาสำหรับการเปลี่ยนแปลง

Understanding available opportunities ➜ Take a leading role in your organization to proactively advance ESG outcomes while achieving financial success.

Challenges:

Upfront costs

Complex supplier networks

Greenwashing

Lack of reliable ESG data

Understanding

ISO 20400

Understand the core principles of ISO 20400

What it is

ISO 20400 is the **international standard for sustainable procurement**. It provides **guidance** to organizations on how to **integrate sustainability into procurement processes**.

Who it's for

For any organization—public or private—that wants to make its procurement more sustainable.

Why it matters now (1)

- Addresses Real-World Risks in the Supply Chain

- Drives Positive Environmental and Social Impact

Why it matters now (2)

- Creates Long-Term Value and Cost Savings

- Aligns with Global Trends and Legal Pressures

Structure of ISO 20400:

- Fundamentals
- Policy and Strategy
- Enablers
- Procurement Process

Concept of sustainable procurement

"Procurement that has the most positive environmental, social, and economic impacts possible over the entire life cycle."

Environment

Economic

Social
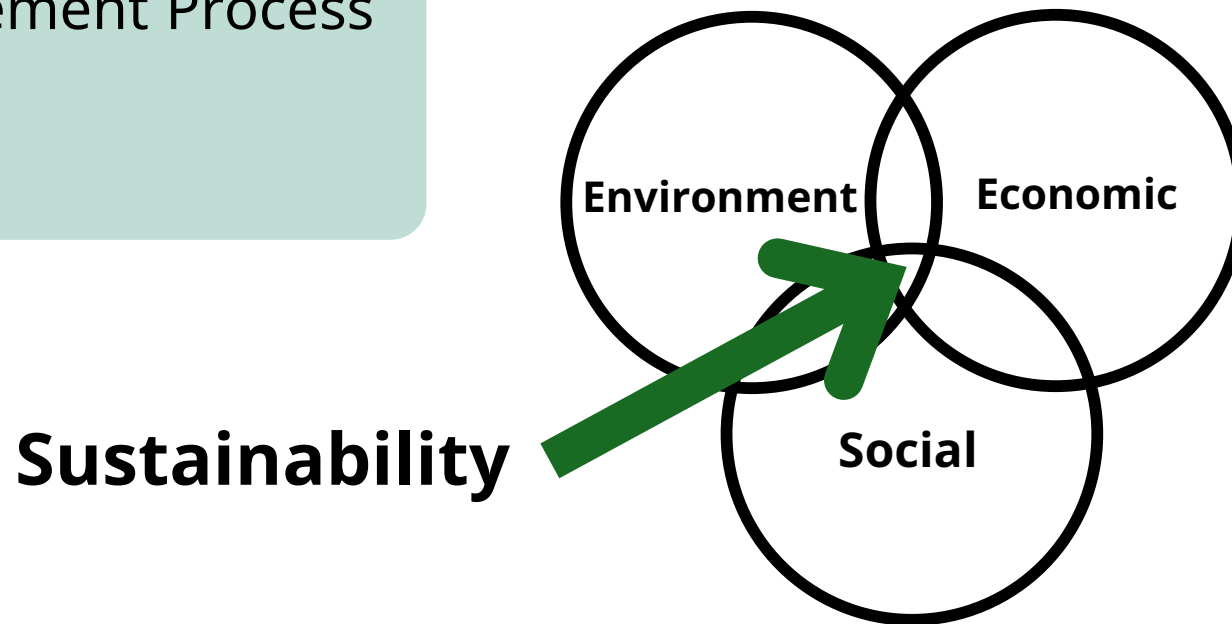
Sustainability

Triple Bottom Line

1997 John Elkington

7 Core Subjects

Governance frameworks, sustainability challenges tied to the triple bottom line that call for supplier collaboration, and the ethical and fair practices buyers are expected to uphold in all supplier engagements.

Organization Governance	Human rights	Labour practices	The environment	Fair operating practices	Consumer issues	Community involvement and development
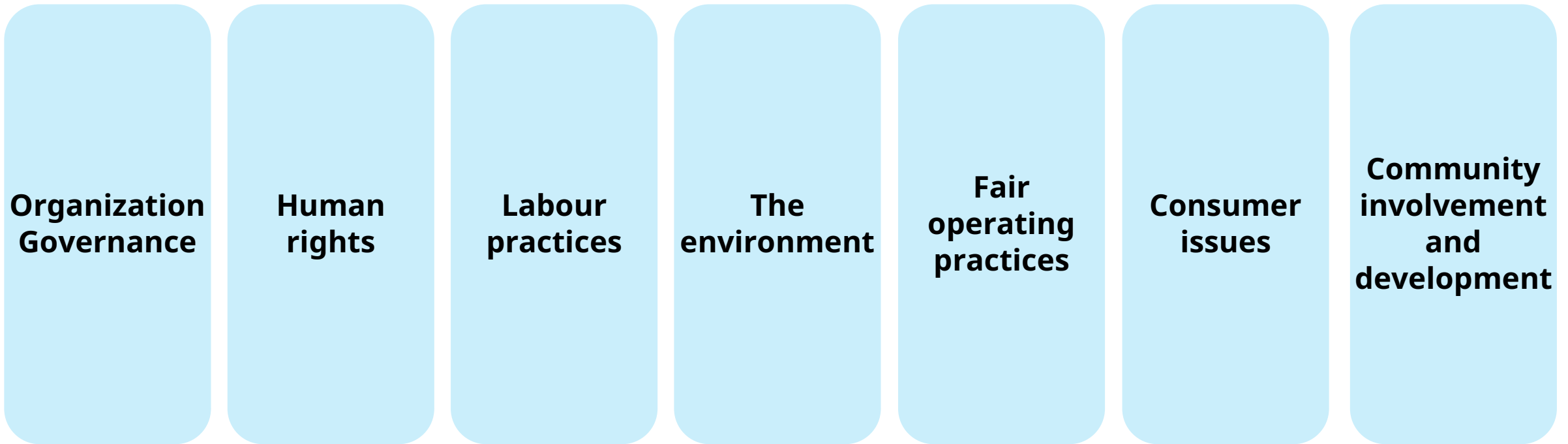
Structure of ISO 20400

12 Principles

- Accountability
- Transparency
- Ethical behavior
- Full & Fair Opportunity
- Respect to stakeholder interest
- Respect to the rule of law...
- Respect to human right
- Innovative solutions
- Focus on needs
- Integration
- Analysis of all costs
- Continual improvement

ISO 20400 vs Traditional Procurement

Aspect	Traditional procurement	ISO 20400-based Procurement
Focus	Cost, quality, and delivery	Cost, quality, delivery plus social, environmental, and economic sustainability
Supplier Selection Criteria	Price competitiveness, technical ability	Price, technical ability plus sustainability performance and ethical practices
Risk Management	Focused mainly on financial and supply risks	Broader risk management including environmental, social, reputational, and human rights risks
Stakeholder Engagement	Limited to internal departments	Involves internal and external stakeholders, including communities, NGOs, and supply chain actors
Life Cycle Perspective	Rarely considered	Emphasizes whole life-cycle impact of products and services
Performance Monitoring	Limited or focused on contract compliance	Includes sustainability indicators and continuous improvement mechanisms
Supplier Relationship	Transactional	Promotes long-term, collaborative, and transparent relationships

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Business Value of ISO 20400

- Competitive advantage through ethical sourcing
- Risk reduction in the supply chain
- Innovation through supplier collaboration
- Long-term cost savings (TCO, circular procurement)
- Enhancing brand image and customer loyalty
- Alignment with investor expectations on ESG

Implementation Roadmap

Leadership commitment and stakeholder engagement

Define a sustainable procurement policy

Supplier mapping and risk assessment

Integrate sustainability criteria into RFQs, tenders, and contracts

Build capacity (internal + suppliers)

Monitor, measure, and improve

Step-by-step approach:

	Mining raw materials	Material production	Manufacturing	Packaging	Transportation & Storage	Retail		Use	Disposal & Recycling
Organizational governance									
Human right	Conflict mineral Force Labor	Force Labor	Force Labor Discrimination			Diversity culture and religion			Child labor Force Labor
Labor practice	Safety, health, working condition	Safety, health, working condition	Safety, health, working condition	Safety, health, working condition	Safety, health, working condition	Safety, health, working condition			Safety, health, working condition
The environment	Deforestation CO_2 emission Water	CO_2 emission Water pollution Chemical emission	CO_2 emission Water usage Waste	CO_2 emission Waste	CO_2 emission	CO_2 emission Waste		Energy efficiency CO_2 emission	Recycling
Fair operating practice	Bribery				Bribery	Bribery			
Consumer issues				Labelling		Protection of consumer privacy		Safety & Health	Take back
Community involvement & development	Indigenous people & group								Illegal waste dumping

High impact **Medium impact** Low impact

Sustainable procurement

Identify key focus areas to enhance sustainability
throughout your value chain.

Environment

- Anti-bribery
- Money laundering
- Local economic impact
- Consumer wellbeing
- Fair business conduct

Economy

- Anti-bribery
- Money laundering
- Local economic impact
- Consumer wellbeing
- Fair business conduct

Society

- Health and safety
- Employee and human rights
- Diversity, equity and inclusion

Sustainable procurement

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worldfavor

Source: https://blog.worldfavor.com/what-is-sustainable-procurement

Enablers for Success

- Clear governance and accountability

- Training procurement staff

- Engaging internal stakeholders (legal, finance, operations)

- Tools: Supplier Code of Conduct, scorecards, audits

- Use of digital tools (eProcurement, ESG data platforms)
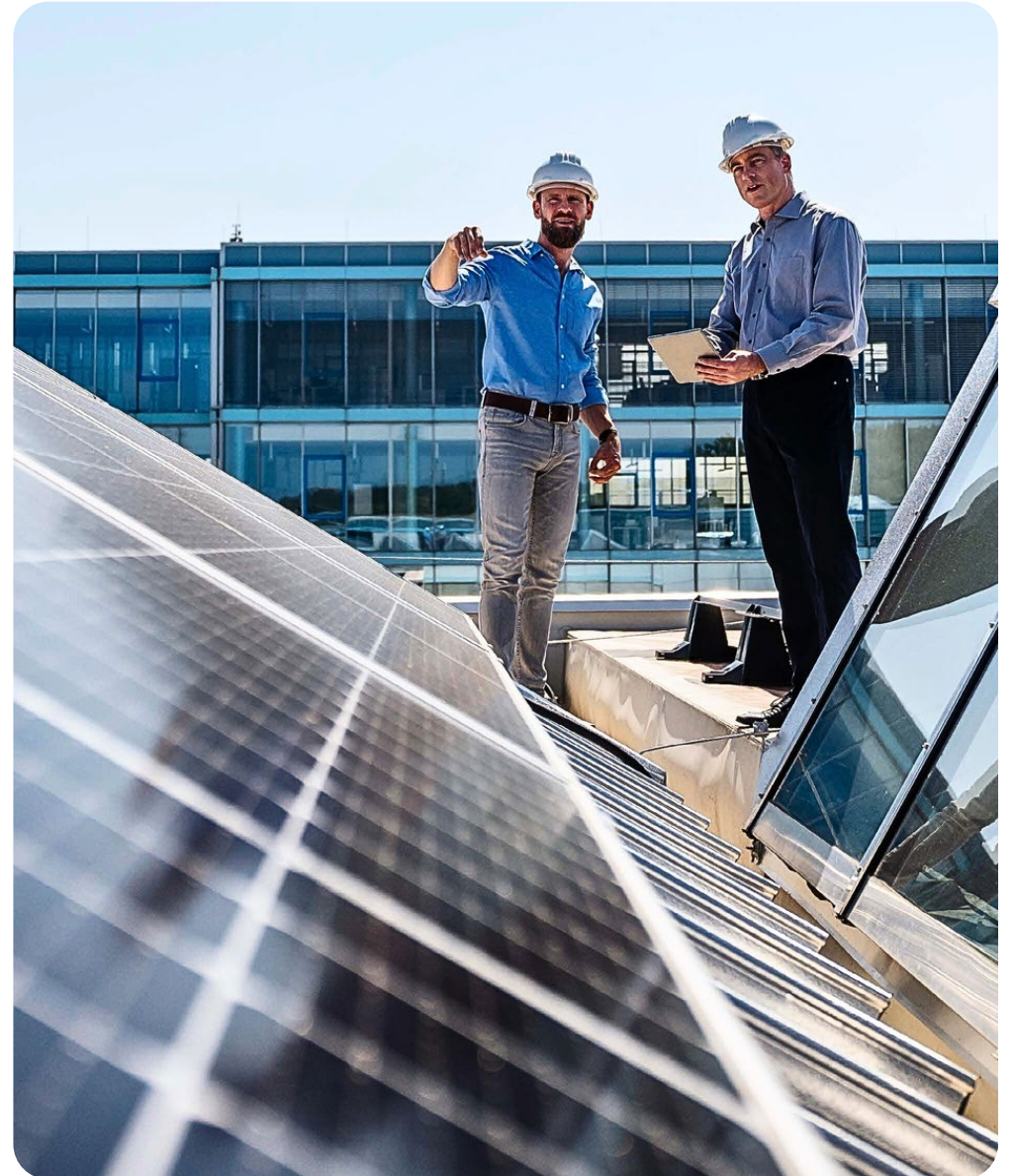
Measuring Impact

- KPIs for sustainable procurement (examples):
- % of spend with responsible suppliers
- % of contracts with sustainability clauses
- Reduction in Scope 3 emissions
- Supplier performance improvement
- Link with SDGs and sustainability reporting (GRI, CSRD)

Challenges and How to Overcome Them

- **Resistance to change** → Solution: Executive sponsorship & training
- **Lack of supplier data** → Solution: Start with high-risk/high-spend categories
- **Cost concerns** → Solution: Focus on long-term total value
- **Integration gaps** → Solution: Cross-functional collaboration

Call to Action

- Start small – pilot with a key category or supplier
- Align with corporate sustainability strategy
- Engage leadership and procurement teams
- Consider training and assessment using ISO 20400

How do you implement a sustainable procurement process?

Make a current state analysis

- วิเคราะห์และประเมินผลกระทบ ESG
- จัดทำผังผู้มีส่วนได้ส่วนเสีย โดยจะต้องมีส่วนร่วมของผู้รับผิดชอบผลิตภัณฑ์หรือบริการร่วมอยู่ด้วย

Set ESG goals

- ระบุความเสี่ยงและโอกาสในการปรับปรุง
- กำหนดเป้าหมาย ESG ที่ชัดเจนสอดคล้องกับพันธกิจของบริษัท
- มีมาตรฐานและกรอบการทำงานมากมายที่ให้คำแนะนำแก่บริษัทต่างๆ เกี่ยวกับการบูรณาการความยั่งยืนไว้ในกระบวนการ/การตัดสินใจจัดซื้อจัดจ้างของบริษัท เช่น ISO 20400:2017 ซึ่งเป็นมาตรฐานแรกและยังคงใช้กันมากที่สุดจนถึงปัจจุบัน
- กำหนดความคาดหวังสำหรับการตรวจสอบความครบถ้วน การปฏิบัติตาม และเป้าหมายการพัฒนาต่อประเภทผลิตภัณฑ์/บริการ

Implement a responsible sourcing policy, strategy, and action plan

- สื่อสารและดำเนินการตามนโยบายการจัดหาที่รับผิดชอบ โดยใช้กรอบการทำงาน เช่น the International Chamber of Commerce (ICC) Guide to Responsible Sourcing.
- ประเมินซัพพลายเออร์ตามมาตรฐาน ESG และจัดทำแผนผังวงจรชีวิตผลิตภัณฑ์
- ขยายขนาดและบูรณาการความคิดริเริ่มและแนวทางปฏิบัติที่ยั่งยืนเข้ากับการจัดการจัดซื้อจัดจ้างของคุณ

Implement a responsible sourcing policy, strategy, and action plan

- การประเมินซัพพลายเออร์และกลุ่มเป้าหมายจะไม่เกิดผลหากไม่มีการสื่อสารและการทำงานร่วมกันอย่างเปิดเผย ดังนั้น จึงมีความสำคัญที่จะต้องนำโอกาสในการสื่อสารแบบเรียลไทม์มาใช้ และต้องแน่ใจว่าการสื่อสารเป็นไปอย่างราบรื่นในทุกฝ่าย ไม่ใช่แค่ภายในเท่านั้น
- จัดทำโปรโตคอลการบำรุงรักษาสำหรับทีมผู้บริหารเพื่อให้สามารถแก้ไขปัญหาการสื่อสารหรือการทำงานร่วมกันได้อย่างรวดเร็ว
- สร้างโปรโตคอลการแจ้งเตือนปัญหาและมีขั้นตอนที่ชัดเจนเพื่อแจ้งให้บุคคลที่เกี่ยวข้องทราบหากมีสิ่งผิดปกติเกิดขึ้น
- รักษาการสื่อสารเป็นประจำกับพันธมิตรเพื่อการประเมินและปรับปรุงกระบวนการ

Follow and report your process

Source: https://blog.worldfavor.com/what-is-sustainable-procurement

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Excel Template - Self Assessment Tool for ISO20400

ISO20400: Self Assessment Tool

Section	No.	Criteria	Score (0-3)	Comments/Actions
Strategic Integration	1	Procurement is aligned with the organization's sustainability strategy.		
Strategic Integration	2	Top management supports sustainable procurement.		
Strategic Integration	3	A sustainable procurement policy is established and documented.		
Strategic Integration	4	Procurement risks and opportunities related to sustainability are identified and managed.		
Governance and Leadership	1	Roles and responsibilities for sustainable procurement are clearly defined.		
Governance and Leadership	2	There is cross-functional collaboration (e.g., procurement, sustainability, legal).		
Governance and Leadership	3	Internal stakeholders are engaged in sustainable procurement decisions.		
Governance and Leadership	4	Suppliers are engaged in sustainability discussions and collaboration.		
Procurement Process	1	Sustainability requirements are included in specifications and RFQs/RFPs.		
Procurement Process	2	Suppliers are evaluated based on sustainability criteria.		
Procurement Process	3	Contracts include sustainability clauses and compliance obligations.		
Procurement Process	4	Sustainability performance of suppliers is regularly monitored and reviewed.		
Capability and Culture	1	Procurement staff receive training on sustainable procurement.		
Capability and Culture	2	Knowledge of sustainability standards (e.g., ISO 14001, ISO 26000) exists.		
Capability and Culture	3	Incentives are in place for sustainability performance in procurement.		
Capability and Culture	4	There is a culture of ethical behavior and transparency.		
Performance and Reporting	1	Key performance indicators (KPIs) for sustainable procurement are defined.		
Performance and Reporting	2	Sustainability results from procurement are measured and reported.		
Performance and Reporting	3	Continuous improvement actions are taken based on performance.		
Performance and Reporting	4	External reporting aligns with frameworks (e.g., GRI, SDGs).		

Section	Max Score	Your Score	
Strategic Integration	12		0
Governance & Leadership	12		0
Procurement Process	12		0
Capability & Culture	12		0
Performance & Reporting	12		0
Total score			0

Total Score (Max = 60):

Interpretation:

0–20 = High Priority for Improvement

21–40 = Moderate Maturity

41–60 = High Maturity and Alignment

Excel Template - Supplier Sustainability Checklist

Supplier Sustainability Checklist

Instructions:
Use this checklist during supplier pre-qualification, tender evaluation, or ongoing monitoring.
Score each item (e.g., Yes/No, 0–3 scale) and request evidence where applicable.

Section	No.	Criteria	Score	Evidence Required / Notes
Environmental Criteria	1	Has an Environmental Management System (e.g., ISO 14001)		
Environmental Criteria	2	Measures and reports GHG emissions (Scope 1, 2, or 3)		
Environmental Criteria	3	Implements waste reduction and recycling initiatives		
Environmental Criteria	4	Uses energy-efficient or renewable energy sources		
Environmental Criteria	5	Takes action to reduce water consumption		
Environmental Criteria	6	Manages chemical/hazardous substances responsibly		
Environmental Criteria	7	Conducts lifecycle assessments (LCA) or product sustainability evaluations		
Social Criteria	1	Complies with labor laws and regulations		
Social Criteria	2	Prohibits child labor and forced labor		
Social Criteria	3	Provides safe and healthy working conditions		
Social Criteria	4	Has a diversity, equity, and inclusion (DEI) policy		
Social Criteria	5	Engages with communities or supports local development		
Social Criteria	6	Respects human rights in operations and supply chain		
Governance / Ethical Criteria	1	Has an anti-corruption and bribery policy		
Governance / Ethical Criteria	2	Maintains ethical procurement and sourcing practices		
Governance / Ethical Criteria	3	Provides transparency in business practices		
Governance / Ethical Criteria	4	Has a grievance mechanism or whistleblower policy		
Governance / Ethical Criteria	5	Has third-party certifications (e.g., Fair Trade, FSC)		
Sustainability Integration and Reporting	1	Has a sustainability or CSR report		
Sustainability Integration and Reporting	2	Aligns with UN SDGs or other frameworks (e.g., GRI, SASB)		
Sustainability Integration and Reporting	3	Sets sustainability KPIs and targets		
Sustainability Integration and Reporting	4	Willing to collaborate on sustainability initiatives		
		Total Score	0	

Score Range (out of 66)	% Score	Level	Interpretation	Recommended Action
56 – 66	85% – 100%	☆ Excellent	Best practices in place, well aligned with ISO 20400	Preferential supplier; minimal follow-up
46 – 55	70% – 84%	☑ Good	Strong performance with few gaps	Suitable for long-term engagement
36 – 45	55% – 69%	⚠ Fair	Moderate performance, visible improvement needed	Request improvement plan
26 – 35	40% – 54%	❗ Weak	Major gaps in sustainability practices	Require corrective actions
0 – 25	0% – 39%	✕ Poor	Inadequate or non-compliant	Consider disqualification

BSI Support and Services

- Training for procurement teams
- Integration with ISO 14001, ISO 45001, ISO 50001, ISO 37001
- Supplier sustainability assessments
- Customized roadmap and improvement plan

- Verification for ISO20400

The verification results are reflected and delivered to the customer in the form of "Conformity Statement ".

" Q&A

ทบทวนและถามคำถาม

สแกน QR code เป็นเพื่อนกับเราใน Line official ของ BSI
เพื่อไม่ให้พลาดข่าวสารข้อมูลที่เป็นประโยชน์ในสายอาชีพของท่าน

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