

AZERBAIJAN STATE UNIVERSITY OF ECONOMICS (UNEC)

SUSTAINABLE PROCUREMENT POLICY

Sustainable Procurement Policy

Table of Contents

Section 1. Introduction

1.1 Purpose

1.2 Objectives

Section 2. UNEC's Commitment to Sustainability

2.1 Sustainability Vision

2.2 Role in Promoting Responsible Procurement Practices

Section 3. Guiding Principles

3.1 Environmental Responsibility

3.2 Social Inclusivity

3.3 Economic Viability

Section 4. Scope

4.1 Applicability

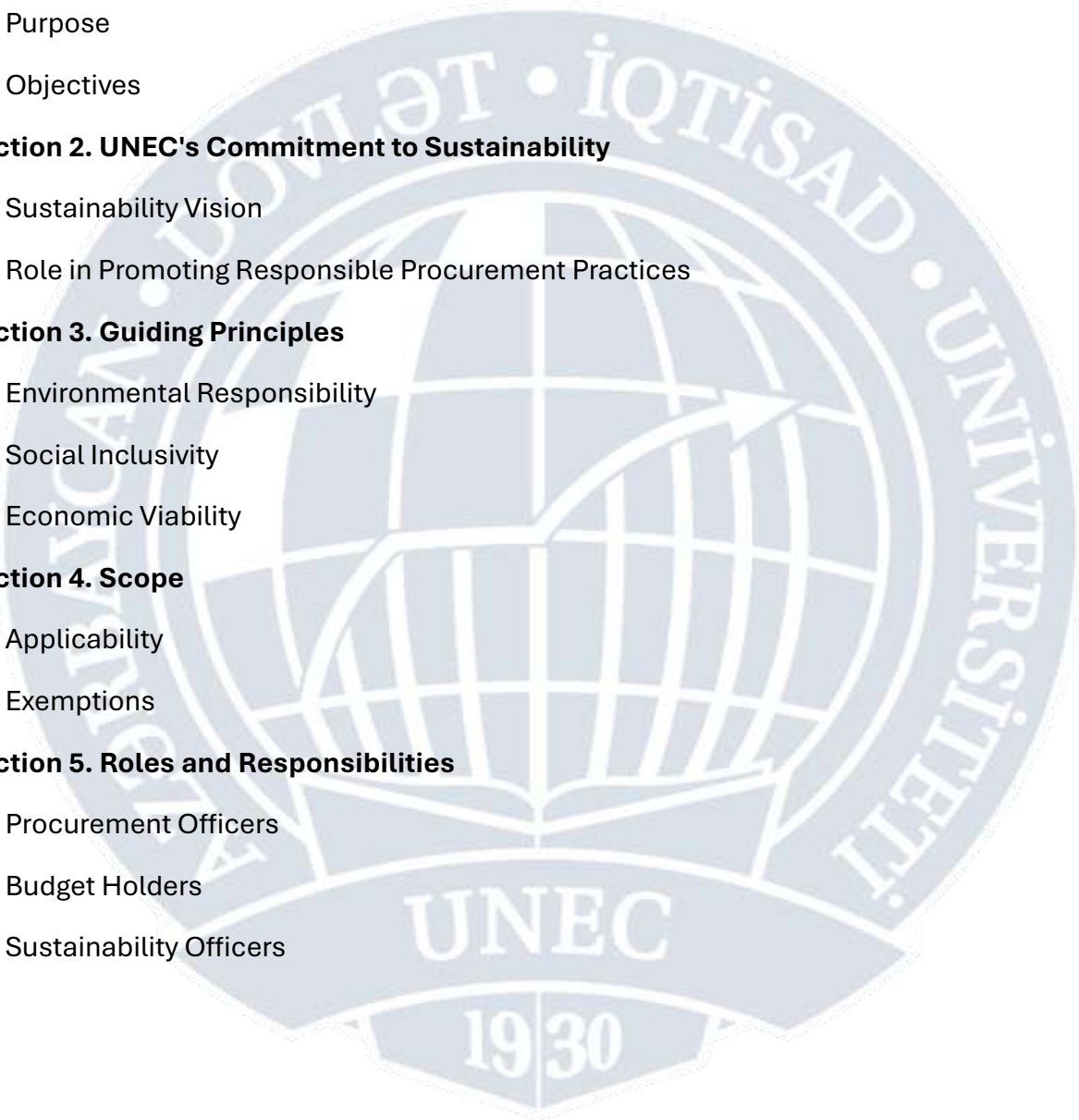
4.2 Exemptions

Section 5. Roles and Responsibilities

5.1 Procurement Officers

5.2 Budget Holders

5.3 Sustainability Officers



Section 1. Introduction

1.1 Purpose

The Sustainable Procurement Policy of the Azerbaijan State University of Economics (UNEC) sets forth the principles, objectives, and guidelines that will govern the procurement practices of the university. The purpose of this policy is to ensure that all procurement activities undertaken by UNEC align with sustainable and responsible practices, thereby contributing to the conservation of the environment, social inclusivity, and economic viability.

The policy aims to integrate sustainability considerations into the procurement process to minimize negative environmental and social impacts while maximizing positive contributions to the local and global communities. By incorporating sustainable procurement criteria and fostering a culture of responsible sourcing, UNEC seeks to lead by example and promote environmentally and socially conscious practices among its stakeholders.

This policy applies to all procurement activities conducted by UNEC, regardless of the funding source or the value of the procurement. It applies to all UNEC personnel involved in the procurement process, including procurement officers, budget holders, and sustainability officers. Additionally, this policy extends to all suppliers, contractors, and service providers engaged by UNEC.

- Sustainable procurement is recognized as a strategic tool, not merely an operational activity.
- All procurement decisions actively contribute to UNEC's Climate Action Plan and support the university's commitment to achieving net-zero greenhouse gas (GHG) emissions.
- Procurement processes will adopt a lifecycle and circular economic perspective, ensuring that environmental, social, and economic impacts are assessed from production to end-of-life.

1.2 Objectives

The key objectives of UNEC's Sustainable Procurement Policy are as follows:

1.2.1 Environmental Stewardship: UNEC is committed to minimizing its environmental impact through sustainable procurement practices. The policy aims to prioritize environmentally friendly products and services, promote energy efficiency, reduce carbon footprints, and support the use of recycled materials. By prioritizing eco-friendly choices,

UNEC seeks to contribute to the conservation of natural resources and mitigate climate change.

1.2.2 Social Inclusivity: UNEC recognizes the importance of social inclusivity and aims to promote fairness, diversity, and ethical treatment within its supply chain. The policy advocates the inclusion of diverse suppliers and encourages the adoption of fair-trade practices. UNEC is committed to engaging suppliers who uphold principles of human rights, labor rights, and community welfare.

1.2.3 Economic Viability: UNEC acknowledges the significance of economic viability in sustainable procurement. The policy seeks to strike a balance between sustainability objectives and financial considerations. It aims to produce goods and services that provide the best value in terms of sustainability and cost-effectiveness. By supporting local and responsible suppliers, UNEC aims to contribute to economic development and prosperity.

1.2.4 Compliance with Regulations: UNEC is dedicated to complying with all relevant environmental and social regulations. The policy emphasizes the importance of adhering to legal requirements and industry standards related to sustainable procurement. By maintaining compliance, UNEC aims to reduce risks and ensure that its procurement activities align with global best practices.

- UNEC integrates lifecycle thinking and circular economy principles into its procurement, promoting resource efficiency, waste reduction, reuse, and recycling.
- All procurement activities are designed to maximize positive contributions while minimizing negative impacts across environmental, social, and economic dimensions.
- Sustainable procurement is a key driver in aligning operational practices with UNEC's broader sustainability goals and long-term strategic vision.

Section 2. UNEC's Commitment to Sustainability

2.1 Sustainability Vision

The Azerbaijan State University of Economics (UNEC) firmly believes in the vital role that higher education institutions play in advancing sustainable development, fostering social responsibility, and shaping a greener and more equitable future. UNEC envisions a world where sustainability is at the core of all decision-making processes, and its commitment to sustainability is deeply ingrained in its institutional values and principles.

UNEC's sustainability vision is centered on becoming a leading model of sustainable practices in the education sector.

As a prominent academic institution, UNEC aims to set an example for its students, faculty, staff, and the wider community by demonstrating the transformative power of sustainable procurement practices.

- UNEC views sustainable procurement as a strategic enabler of institutional sustainability goals, including its Climate Action Plan and commitment to achieving net-zero greenhouse gas emissions.
- All procurement activities are designed to integrate lifecycle thinking and circular economy principles, ensuring that environmental, social, and economic impacts are fully considered from acquisition to end-of-life.
- Sustainable procurement is a key instrument for translating UNEC's sustainability vision into operational practice across all faculties, departments, and administrative units.

2.2 Role in Promoting Responsible Procurement Practices

2.2.1 Sustainable Procurement Advocacy: UNEC will actively advocate for sustainable procurement practices among its staff, students, and stakeholders. The university will host seminars, workshops, and awareness campaigns to educate the community about the importance of sustainable procurement and its impact on social, economic, and environmental factors.

2.2.2 Supplier Engagement: UNEC recognizes the essential role of suppliers in achieving sustainable procurement goals. The university will engage with suppliers, encouraging them to adopt sustainable practices and adhere to UNEC's Climate Action Plan. UNEC will also consider sustainability performance as a criterion in supplier selection.

- UNEC recognizes sustainable procurement as a strategic tool, not merely an operational activity, linking all procurement decisions directly to the university's Climate Action Plan and net-zero GHG commitments.
- All procurement activities will adopt a lifecycle perspective, assessing the environmental, social, and economic impacts of each product or service from acquisition to end-of-life.
- UNEC will promote circular economy principles, encouraging suppliers to design, produce, and deliver goods and services in ways that reduce waste, maximize reuse and recycling, and minimize environmental footprint.

2.2.3 Research and Innovation: UNEC is committed to supporting research and innovation related to sustainable procurement. The university will allocate resources and collaborate with researchers and experts to identify emerging sustainable procurement practices and implement cutting-edge solutions.

2.2.4 Partnerships and Collaborations: UNEC will actively seek partnerships and collaborations with governmental bodies, NGOs, and industry stakeholders to address sustainability challenges collectively. By leveraging synergies and combining resources, UNEC aims to contribute to broader sustainability initiatives and policy developments.

Section 3. Guiding Principles

3.1 Environmental Responsibility

3.1.1 Conservation of Natural Resources: UNEC recognizes the finite nature of natural resources and is committed to minimizing their consumption.

3.1.2 Sustainable procurement practices will prioritize products and services that are designed to be resource-efficient and have a reduced impact on the environment. UNEC will seek to procure items with minimal packaging and promote the use of digital solutions to reduce paper usage.

3.1.3 Energy Efficiency: UNEC will prioritize energy-efficient products and services to reduce its carbon footprint. When procuring equipment and appliances, preference will be given to those with high energy-efficiency ratings. Additionally, UNEC will explore opportunities to utilize renewable energy sources in its procurement processes and support suppliers with green energy initiatives.

3.1.4 Waste Reduction and Recycling: UNEC aims to minimize waste generation and promote recycling practices. The university will procure products that are easily recyclable and encourage suppliers to adopt environmentally responsible packaging. UNEC will work with suppliers to implement take-back programs for products at the end of their lifecycle to ensure proper disposal or recycling.

3.1.5 Emission Reduction: UNEC is committed to reducing greenhouse gas emissions associated with its procurement activities. The university will consider emission reduction as a criterion during supplier selection and promote low-carbon transportation options for goods delivery whenever feasible.

3.1.6 Biodiversity Conservation: UNEC recognizes the importance of biodiversity conservation and will avoid procurement of products that contribute to habitat destruction

or harm endangered species. The university will encourage suppliers to adopt sustainable sourcing practices that safeguard biodiversity and protect natural ecosystems.

3.1.7 Lifecycle & Circular Economy Perspective: UNEC adopts a lifecycle perspective for all procurement decisions, evaluating the environmental, social, and economic impacts of each product or service from acquisition to end-of-life. This approach encourages circular economy principles, including designing for reuse, repair, and recycling, to reduce waste and maximize resource efficiency.

3.1.8 Strategic Role of Procurement: Sustainable procurement is recognized as a strategic tool, not merely an operational activity. All procurement decisions support UNEC's Climate Action Plan and contribute to the university's net-zero greenhouse gas (GHG) commitments, reinforcing the link between procurement practices and institutional sustainability goals.

3.2 Social Inclusivity

3.2.1 Ethical Labor Practices: UNEC is dedicated to promoting fair and ethical labor practices within its supply chain. The university will only engage suppliers who adhere to international labor standards, including the prohibition of forced labor, child labor, and discrimination. UNEC will actively support suppliers that provide safe working conditions and fair wages to their employees.

3.2.2 Diversity and Inclusion: UNEC believes in fostering a diverse and inclusive supply chain. The university will actively seek to engage suppliers from underrepresented groups, including women, minorities, and persons with disabilities. UNEC will evaluate suppliers based on their commitment to diversity and inclusion in their workforce.

3.2.3 Community Engagement: UNEC recognizes its role as a responsible member of the community and expects the same from its suppliers. Suppliers will be encouraged to engage with local communities and contribute to their social and economic development. UNEC will prioritize suppliers who demonstrate a commitment to corporate social responsibility and community engagement.

3.2.4 Health and Safety: UNEC will prioritize suppliers that maintain high standards of health and safety for their employees and stakeholders. Suppliers will be required to comply with all relevant health and safety regulations, and UNEC will conduct periodic assessments to ensure compliance.

3.3 Economic Viability

3.3.1 Best Value for Money: UNEC will consider sustainability and total cost of ownership when evaluating procurement options. While price remains a crucial factor, the university

will also assess long-term value, including the environmental and social impacts of the products and services being procured.

3.3.2 Support for Local Economy: UNEC recognizes the importance of supporting the local economy and will give preference to local suppliers when all other factors are equal. By procuring locally, UNEC aims to stimulate economic growth, create job opportunities, and foster community development.

3.3.3 Responsible Sourcing: UNEC will engage suppliers who demonstrate responsible sourcing practices. The university will assess suppliers' commitment to ethical sourcing, sustainable materials, and compliance with relevant environmental and social standards.

3.3.4 Transparency and Fair Competition: UNEC is committed to ensuring transparency and fair competition in its procurement processes. All suppliers will have equal opportunities to participate in procurement activities, and the selection process will be conducted impartially and based on predefined criteria.

Section 4. Scope

4.1 Applicability

The Sustainable Procurement Policy of the Azerbaijan State University of Economics (UNEC) applies to all procurement activities conducted by the university. This policy is binding for all UNEC personnel involved in the procurement process, including procurement officers, budget holders, and sustainability officers. Additionally, this policy extends to all suppliers, contractors, and service providers engaged by UNEC.

4.1.1 Procurement Activities: The policy covers all types of procurement activities, including the purchase of goods, services, works, and consultancy services. It applies to both capital and revenue expenditure, irrespective of the funding source, including government funding, donor funds, or self-generated revenue.

4.1.2 Full Procurement Lifecycle: The policy encompasses the entire procurement lifecycle, from the planning and sourcing phases to the evaluation and contract management phases. At each stage, sustainability considerations will be integrated to ensure that the principles and objectives of sustainable procurement are met.

4.1.3 All UNEC Campuses and Units: The policy applies to all UNEC campuses, departments, faculties, research centers, and administrative units. It ensures a consistent approach to sustainable procurement across the entire university.

4.1.4 Contractors and Sub-contractors: UNEC's commitment to sustainability also extends to suppliers, contractors, and sub-contractors engaged in carrying out works or providing services on behalf of the university. UNEC will require contractors and sub-contractors to adhere to the principles and standards set forth in this policy.

4.1.5 Grants and Donor Funding: In cases where UNEC receives funding through grants or donations from external sources, the policy will apply to the procurement of goods and services using these funds. UNEC will encourage donors and funding agencies to align with the sustainable procurement principles outlined in this policy.

4.1.6 Integration with Climate Action and Net-Zero GHG Goals: All procurement activities under this policy will actively consider UNEC's Climate Action Plan and net-zero greenhouse gas (GHG) commitments. Procurement decisions will be evaluated based on their contribution to reducing carbon emissions, supporting energy efficiency, and promoting sustainable supply chains.

4.1.7 Lifecycle & Circular Economy Approach: UNEC will incorporate a lifecycle and circular economy perspective across all procurement activities, assessing the environmental, social, and economic impacts of goods and services from acquisition through end-of-life. This ensures procurement contributes to resource efficiency, waste reduction, and sustainable innovation across the university.

4.2 Exemptions

While UNEC is committed to adhering to sustainable procurement practices, certain exemptions may apply under specific circumstances. Exemptions will be considered on a case-by-case basis, subject to approval by the appropriate university authorities. The following conditions may warrant exemption:

4.2.1 Legal and Regulatory Constraints: In cases where the application of sustainable procurement criteria conflicts with existing laws, regulations, or governmental requirements, exemptions may be granted. However, UNEC will seek to collaborate with relevant authorities to identify alternative solutions that align with sustainability objectives while complying with the law.

4.2.2 Emergency Situations: During emergencies or urgent situations, where immediate procurement is necessary to safeguard human health, safety, or critical infrastructure, exemptions may be considered.

4.2.3 However, UNEC will strive to incorporate sustainable considerations to the extent possible even in emergency procurement.

4.2.4 Necessity and Unavailability: If sustainable products or services are not available or do not meet the university's specific requirements, exemptions may be granted. UNEC will document the reasons for exemptions and explore opportunities to introduce sustainable alternatives in the future.

4.2.5 Small-Scale Procurements: For low-value or small-scale procurements where the cost of compliance with sustainable procurement criteria outweighs the benefits, exemptions may be considered. UNEC will determine appropriate thresholds for such exemptions to avoid misuse.

4.2.6 Research and Academic Freedom: Exemptions may be granted for research-related procurements where specific products or services are required for academic or scientific purposes that do not align with sustainability criteria. However, UNEC will encourage researchers to consider sustainability aspects whenever possible.

4.2.7 National Interests: In exceptional cases, exemptions may be granted when procurements are deemed to be of national interest but may not fully meet sustainability criteria. Such exemptions will be subject to rigorous justification and approval at the highest levels of university authority.

4.2.8 Temporary Disruptions: Temporary disruptions in the supply chain or market may lead to exemptions when sustainable alternatives are unavailable or significantly impact the university's operations. UNEC will actively monitor the situation and review exemptions as conditions change.

Section 5. Roles and Responsibilities

5.1 Procurement Officers

Procurement officers play a crucial role in implementing UNEC's Sustainable Procurement Policy. They are responsible for ensuring that all procurement activities comply with the policy's principles and criteria. The key responsibilities of procurement officers include:

5.1.1 Sustainable Procurement Implementation: Procurement officers are responsible for integrating sustainable procurement criteria into all procurement processes. They will conduct supplier assessments based on sustainability criteria and promote the selection of products and services that align with UNEC's sustainability objectives.

5.1.2 Supplier Engagement: Procurement officers will engage with suppliers to communicate UNEC's commitment to sustainable procurement and request information on

suppliers' environmental and social practices. They will work collaboratively with suppliers to improve sustainability performance and promote responsible sourcing.

5.1.3 Policy Compliance: Procurement officers will ensure that all procurement decisions adhere to the principles and criteria outlined in the Sustainable Procurement Policy. They will document and justify any exemptions or deviations from the policy and seek appropriate approvals when necessary.

5.1.4 Strategic Integration: Procurement officers will ensure that procurement activities are treated as strategic tools, not just operational tasks. Decisions will actively support UNEC's Climate Action Plan, net-zero GHG commitments, and broader sustainability objectives.

5.1.5 Lifecycle & Circular Economy Considerations: Officers will evaluate suppliers and products considering full lifecycle impacts, including environmental, social, and economic effects, and promote circular economic solutions such as reuse, recycling, and extended product responsibility.

5.2 Budget Holders

Budget holders, including department heads, faculty deans, and administrative unit managers, play a crucial role in supporting and promoting sustainable procurement within their respective areas. Their responsibilities include:

5.2.1 Policy Advocacy: Budget holders will actively advocate for the implementation of sustainable procurement practices within their departments or units. They will communicate the importance of sustainability and encourage staff to prioritize environmentally and socially responsible purchasing decisions.

5.2.2 Budget Allocation: Budget holders will allocate resources to support sustainable procurement initiatives. They will consider sustainability criteria when approving procurement budgets and prioritize projects that contribute to UNEC's sustainability objectives.

5.2.3 Reporting and Monitoring: Budget holders will collaborate with procurement officers to monitor procurement activities within their departments or units. They will ensure that sustainability goals are met, and relevant data is collected for reporting purposes.

5.2.4 Alignment with Sustainability Goals: Budget holders will ensure that department-level procurement aligns with UNEC's sustainability objectives, including emission reductions, energy efficiency, and resource optimization.

5.3 Sustainability Officers

5.3.1 Policy Oversight: Sustainability officers will ensure that the policy's principles and criteria are effectively integrated into procurement processes across the university. They will provide guidance and support to procurement officers and budget holders in implementing sustainable procurement practices.

5.3.2 Stakeholder Engagement: Sustainability officers will engage with stakeholders, including procurement staff, budget holders, suppliers, and academic departments, to raise awareness and promote a culture of sustainability throughout the university.

5.3.3 Policy Review: Sustainability officers will lead policy reviews and updates to ensure that UNEC's Sustainable Procurement Policy remains aligned with best practices, emerging sustainability trends, and changing organizational needs.

5.3.4 Monitoring & Reporting: Sustainability officers will track and report on how procurement activities contribute to UNEC's climate targets and circular economic initiatives, providing feedback for continuous improvement.

