



Understand it

Apply it

Generate quick win ideas

Check an existing concept

More detail ...

Design wheel

Explore

Create

Evaluate

Manage

Impact map

Performance dashboard

Role-based guidance

Topic-based guidance

See examples

Assessing suppliers

What key issues exist for my business?

Simply pushing suppliers to reduce costs without careful attention to other key factors such as source of materials and use of 'at risk' elements fails to address longer term business resilience, or recognise indirect costs that occur elsewhere in product lifecycles. These costs - externalities - can occur in terms of compliance or brand impacts and can appear during manufacture or many years later from consumer exposure.

Brand association with severe environmental and social impacts can destroy decades of brand building.

Why is this an issue for my business?

Potential brand implications from association with such **People/Planet** waste and resource conflicts are a very real business threat, with at least one household name falling foul of this every quarter. Technological advances in more benign materials and materials' recovery could provide businesses with cost reduction, energy reduction, virgin materials reduction, and sound CSR exposure – either for your business or for your competitors. A materials strategy and close cooperation with your suppliers is essential to remain competitive.

As improved standards of living are being more openly demanded in China, this is pushing up the manufacturing price and exposing unethical but cheap manufacturing and mining practices.

What steps can I take to address this?

- A supplier assessment strategy is required, both to roadmap the performance and risks from suppliers, and to determine who to engage to phase in more secure materials and processes as the technology and costs improve the **profit** criteria. **People, Profit and Planet** should be represented in supplier assessments.
- Long-term contracts need to be weighed up against a roster of suppliers selected on margin-per-product only. The circular economy will require a longer term view, with actions like a joint venture likely.
- Look for systematic approach towards the circular economy in your suppliers.
- Look for strategy in place, linkage to systems and decision making both strategically and on a day to day basis.
- Ask for evidence of application.
- Look for circular economy being part of everyday business as usual.
- Look for KPIs, targets and evidence of performance to date.
- Look for resources, structures, staff, skills and training.
- Look for evidence of development and continuous improvement.
- Sample questioning of staff and looking at implementation activity, linked to understanding of the circular economy and to see the widespread application.

Further reading

- [High-value plastics from complex waste streams](#)
- [UK Government website on Environmental Regulations.](#)
- [Full product transparency](#), an e-book by Ramon Arratia of InterfaceFLOR.
- The [Ecodesign Directive 2009/125/EC](#) has been transposed in the UK by the [Eco-design for Energy-related Products Regulations 2010](#) (SI 2010

No.2617). It aims to improve the environmental performance of products throughout the life-cycle, by integration of environmental aspects at a very early stage in product design. The original Directive was recast in 2009 and was previously known as the [Energy-Using Products \(EuP\) Directive 2005/32/EC](#). This was transposed into UK law under Statutory Instrument (SI 2007 No.2037) which is now revoked.

- [PAS 141: 2011 for reuse of UEEE and WEEE](#) (2012 Recast)
- [WRI's Greening the supply chain](#)
- [Eco Design For Packaging & Packaging Waste Directive \(94/62/EC\)](#)
- [BS 8887-1:2006](#) Design for manufacture, assembly, disassembly and end-of-life processing (MADE). General concepts, process and requirements.
- BS PAS 2060 (carbon neutrality)
- [BS 8887-2:2009](#) Design for manufacture, assembly, disassembly and end-of-life processing (MADE). Terms and definitions.
- [IEEE 1680.1-2009](#) Standard for Environmental Assessment of Personal Computer Products.
- [EU Batteries Directive 2006/66/EC](#)