ADM 2800.12B, Change 138 October 22, 2021

GSA ORDER

Subject: General Services Administration Acquisition Manual; GSAM Case 2021-G528, Sustainable Acquisition

- 1. <u>Purpose</u>. This order transmits a revision to the General Services Administration Acquisition Manual (GSAM) to provide guidance on sustainable acquisition, specifically during the acquisition planning phase.
- Background. The Federal Acquisition Regulation (FAR) currently requires environmental
 consideration during acquisition planning (see FAR 7.105(b)(17)) as it relates to FAR
 Part 23, which focuses on energy efficiency, renewable energy technologies, recovered
 materials, biobased products, environmentally preferable products, and non-ozone
 depleting products.

Executive Orders (E.O.) 13990, 14008, and 14030 all describe utilizing Federal procurement as a method to move the market towards environmental sustainability. As the largest consumer of supplies and services, the Government is able to create demand and encourage private investment in domestic clean energy, electric cars, energy efficient buildings, and other necessary supplies. In order to successfully change not only market culture, but internal acquisition culture, GSA contracting officers need to both view markets as susceptible to climate change and acquisitions as instrumental in changing course.

Offices throughout the Government are investigating ways in which to implement the larger economic goals of the E.O.s, including FAR Cases 2021-015 and 2021-016. Until the FAR is revised, GSA is revising our internal policies for acquisition planning to incorporate more sustainability considerations in what our agency buys. This policy change is part of GSA's Climate Action Plan, Section 5 Topic 3, in answering E.O. 14008 Section 211.

The E.O.s describe using the power of procurement to drive sustainability. Historically, guidance on sustainable acquisition was limited in FAR Part 23, with reporting metrics that focused on spend versus environmental or technological outcomes. This revision to the GSAM stresses the importance of considering environmental impacts during the acquisition planning phase. It takes a multi-prong solution in order to drive outcomes that further measurable environmental goals.

This revision further supports successful government initiatives such as use of ecolabels and greenhouse gas emissions reduction.

The revision provides guidance to contracting officers to consider environmentally-centered acquisition planning, as well as contract administration that promotes environmentally sustainable solutions. This revision also acknowledges that environmental outcomes should be examined versus price alone, or spend.

As part of the greater focus on sustainable acquisition, the Office of the Chief Sustainability Officer, or designee, should be invited to the Acquisition Review Board for contracts that require SPE review.

- 3. Effective date. October 22, 2021
- 4. <u>Explanation of changes</u>. This amendment includes non-regulatory GSAM changes. For full text changes of the amendment see Attachment A, GSAM Text Line-In/Line-Out.

The following is a summary of the non-regulatory revisions:

- Subpart 504.71 Acquisition Reviews
 - 504.7104 adds language to include Office of Federal High Performance Green Buildings or authorized sustainability designee on acquisition review boards
- Subpart 507.1 Acquisition Plans
 - 507.103 (c) includes language on sustainability strategies to address both adaptation and mitigation
 - 507.104(a) revise language to include coordination with sustainability point of contact
 - 507.105(a)(1) adds language to include additional guidance to consider during the planning process to ensure a more sustainable outcome
- Part 511 Describing Agency Needs
 - 511.002 adds language to consider in the requirements package such as: greenhouse gas emissions, ecolabels, waste, sourcing, efficiency, and content management
- Subpart 523.1 Sustainable Acquisition Policy
 - 523.104(a) adds reference to the acquisition plan and sustainability and streamlined some of the language
- 5. <u>Point of contact</u>. For clarification of content, contact Adina Torberntsson, GSA Acquisition Policy Division, at gsarpolicy@gsa.gov.

Jeffrey Koses Senior Procurement Executive Office of Acquisition Policy Office of Government-wide Policy

GSAM Case 2021-G528 GSAM Text, Line-In/Line-Out

GSAM Baseline: Change 137 effective 10/01/2021

- Additions to baseline made by rule are indicated by [bold text in brackets]
- · Deletions to baseline made by rule are indicated by strikethroughs
- Five asterisks (* * * * *) indicate that there are no revisions between the preceding and following sections
- Three asterisks (* * *) indicate that there are no revisions between the material shown within a subsection

Part 504—Administrative Matters

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Subpart 504.71 - Acquisition Reviews

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504.7104 Acquisitions and contract actions requiring SPE review and approval.

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- (d) Participants. Acquisition reviews involving the SPE are to include key members of the acquisition team as well as the following participants:
 - (1) SPE or authorized designee;
 - (2) Head of the contracting activity or authorized designee;
 - (3) Office of Small and Disadvantaged Business Utilization; and
- [(4) Office of the Chief Sustainability Officer, Office of Federal High Performance Green Buildings, or authorized sustainability designee]

— (4)-[(5)] Other key stakeholders (e.g., GSA Office of Information Technology for GSA-funded technology acquisitions).

Part 507—Acquisition Planning

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Subpart 507.1 Acquisition Plans

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507.103 Agency-head responsibilities.

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- [(c) Sustainability Strategies. Strategies to either mitigate or adapt to climate change can be explored during acquisition planning and should be clearly documented within the acquisition plan (see 507.105). Some requirements may present more environmental opportunities than others. The Sustainable Facilities tool, available at sftool.gov may be used to identify sustainable attributes (products that are energy efficient, water efficient, or made from recycled materials).
- 507.104 General procedures.
 - (a) The planner shall:

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- [(10) Coordinate, as necessary, with any designated sustainability point of contact for the requirement (see 504.7104).]
- [(11)](10) Follow sustainability policies and procedures specified in part 523 throughout the procurement.

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- 507.105 Contents of written acquisition plans
- (a) The APM contains the content prescribed in FAR 7.105 and shall be used in the preparation of written acquisition plans. [Except for 507.105(a)(1), w]Where a particular element described in FAR 7.105 does not apply, the acquisition plan should read "not applicable." The dollar value, complexity (e.g., commercial versus non-commercial item) and method of acquisition (e.g., full and open competition versus task/delivery order) of the supplies and services to be acquired will affect the scope and breadth of the acquisition plan.

- (1) Sustainable Acquisition Considerations. Whether it is in the requirements, the statement of work, the method of award, or the contract administration strategy, most acquisitions present opportunities to consider the impact on the environment. For all acquisitions that require a written acquisition plan, environmental impact shall be considered and documented in the acquisition plan (see FAR 7.105(b)(17)). When addressing FAR 7.105(b)(17) in the acquisition plan, the contracting officer should address the following:
- (i) Statement of Work. When conducting acquisition planning, the contracting officer is encouraged to strategize with the program manager to consider the most environmentally preferable solutions for the Government. For example, this could include buying items with less packaging, greater recycled content, longer shelf life, lower carbon footprint, improved energy efficiency, less waste, or services that are performed remotely to reduce the federal carbon footprint (see 511.002(a) for additional guidance).
- (ii) Contract Administration. Describe actions during contract administration to promote environmentally preferable solutions. For example, this could include any in-scope efficiencies that are identified after contract award that further reduce the Government's carbon footprint.
- (2) Contracting officers may not state that the sustainability section of the acquisition plan is "not applicable" without a full explanation as to why the acquisition does not present any sustainable acquisition opportunities.
- (b) FAR 7.106 (major systems) and FAR 7.107 (consolidation, bundling, or substantial bundling) shall be addressed in the acquisition plan, if applicable.
- (c) For leasehold interests in real property, a modified version of the contents of acquisition plans for leases is provided in the APM.
- (d) The requirement for a written acquisition plan may be waived by the appropriate level of an approving official listed in 507.105(c). When the requirement for a written acquisition plan is waived, an oral acquisition plan is still required. The planner must obtain approval for the oral acquisition plan from the approving official.
- (e) *Software*. If procuring software, specify the result of any software requirement alternatives analysis that has been completed in accordance with 511.002(d).

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Part 511—Describing Agency Needs

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511.002 Policy.

- [(a) When considering sustainable acquisition for products and services pursuant to FAR 11.002(d)(1), it is the policy of GSA to consider the following:
 - (1) Greenhouse Gas Emissions. Consider practices and strategies to reduce greenhouse gas emissions such as operational emissions, embodied carbon, transportation and logistics costs.
 - (2) *Ecolabels.* Use the Sustainable Facilities Tool (sftool.gov) to identify ecolabels that apply and incorporate them into the requirements
 - (3) Waste, Sourcing, Efficiency, and Content Management.
 Consider supporting environmental objectives such as waste reduction, source reduction; increased material, energy, or water efficiency; or maximum practicable recovered material content. This may include considering waste reduction techniques and taking into account reduction in packaging to include shipping packaging when buying supplies (e.g., the purchase of more durable products that last for years, requiring fewer replacements).
 - (4) Services. For services, consider overall environmental and social opportunities and risks when drafting the requirement package to include any ancillary supplies.]
- **[(b)]** FAR 11.002(b) and GSA Order ADM 8000.1D, GSA Metric Program, establish policy for using the metric system in procurements. The GSA Construction Metrication Ombudsman, located in the PBS Office of Acquisition Management, can be found at http://www.gsa.gov/ombudsman.

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Part 523—Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace

Subpart 523.1 - Sustainable Acquisition Policy

523.101 General.

FAR [part] 23 requires GSA to purchase sustainable products and services.

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523.104 Procedures

- (a) Pre-Award Procedures.
- (1) Market Research. Use the Green Procurement Compilation [located within the Sustainable Facilities (SF) Tool at https://sftool.gov/] to determine whether the intended contract action must include sustainable requirements in accordance with FAR [part] 23 [if not already detailed in the requirements package (see 511.002 (a))].
 - (2) Statement of Work/Solicitation[Requirement Development].
- (i) [Consider the sustainability requirements discussed in FAR 11.002(d) and 511.002(a) and ensure coordination, as necessary, with any designated sustainability point of contact (see 504.7104).] If the procurement has sustainable requirements, confirm that all applicable provisions and clauses are included in the solicitation and that the statement of work or specification contains the minimum sustainable requirements.
- (ii) When developing the statement of work or specification, consider including [Include post-award] procedures for verifying [contractor] compliance with sustainable requirements [contained in the contract]. Review[For best practices in verifying evidence of compliance, review] the Verification Guide for Purchasers of Sustainable Products [available] at https://sftool.gov/.
- (iii) If a procurement cannot comply with the minimum sustainable requirements as outlined in GSAM 523.104(a)(1) due to significant impact on cost, schedule, or performance, the contracting officer must document the exception used and supporting rationale as detailed in GSAM 523.105.
- [(3) Acquisition Planning. The contracting officer shall follow 507.104 for acquisition plan requirements for addressing sustainable acquisition requirements.]
- (4) Solicitation. If the procurement has sustainable requirements, confirm that all applicable provisions and clauses are included in the solicitation and that the statement of work or specification contains the minimum sustainable requirements.]

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- 523.105 Sustainability Exceptions.
- (a) Allowable Exceptions. An exception for acquiring sustainable products or services is available if any of the following conditions exist:
- (1) Product or service cannot be acquired competitively within a reasonable performance schedule.
- (2) Product or service cannot be acquired that meets reasonable performance requirements.
 - (3) Product or service cannot be acquired at a reasonable price.
- (i) The price shall be deemed unreasonable when the total life cycle costs are significantly higher for the sustainable product or service versus the non-sustainable product or service. Life cycle costs are determined by combining the initial costs of a product or service with any additional costs or revenues generated from that product or service during its entire life. (ii) For more information on conducting a life cycle cost analysis (LCCA), review the guidance [available at] https://sftool.gov/.

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