The relationship between asset owner/managers and their supply chain is important in embedding carbon reduction into an organisation’s processes and culture. Innovation and low carbon solutions can often exist in the supply chain but are not utilised because of a lack of carbon knowledge or limited commercial incentives. If the principle of lower carbon equals lower cost is understood and believed then it makes sense to embed this into procurement processes.

Asset owner/managers need to allow their technical standards and specifications to be challenged while recognising minimum requirements (e.g. safety). Inflexible specifications risk blocking innovative solutions that may result in cost and carbon savings. Similarly suppliers have to be incentivised to deliver lower carbon solutions. Suppliers asked to optimise cost and carbon reduction can drive innovative solutions that deliver greater cost and carbon savings.

Approaches can range from asking suppliers to meet a range of minimum requirements on carbon reduction in a contract, to weighting carbon as part of the tender evaluation process. Qualitative assessments as part of a tender may include questions on whether carbon reduction has been considered, how has the carbon footprint of the design been minimised and how will carbon reduction be monitored in the construction phase.

Weighting carbon reduction in the tender process and making it a pre-requisite for suppliers winning tenders can unlock commercial benefit for both the client (carbon savings and cost savings) and the supplier (a successful bid). Asking suppliers to complete carbon assessments as part of the tender evaluation process ensures there is a focus on reducing carbon and cost. It demonstrates an organisation is serious about reducing carbon and that providing evidence of reducing carbon is necessary to win work.