# **Environmental impact rating tool**

An impact rating tool helps you identify which environmental impact areas are more critical when carrying out your market analysis. The scores in the table may change as you deepen your understanding of the procurement activity. When uncertain, further advice should be sought on the overall rankings of the environmental impact.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Impact area | Likelihood (L) (1–5) | Consequence (C) (1–5) | Overall (L x C)(1–25) | Impact (low/ medium/high) |
| Greenhouse gas emissions |  |  |  |  |
| Water |  |  |  |  |
| Waste |  |  |  |  |
| Air |  |  |  |  |
| Biodiversity |  |  |  |  |

A score of 1 represents minimal environmental impact and 5 represents significant impact.

An overall score can be obtained by multiplying the likelihood and consequence to arrive at a high level understanding of environmental impact:

* low environmental impact: score of 5 and below;
* medium environmental impact: score range 6–15; and
* high environmental impact score: 16 +.

Each ‘impact area’ should be assessed separately as a composite rating could compromise the effectiveness of your market analysis and targeting of suppliers.

Where the overall impact ranking is high or at the upper end of the medium range, we recommend seeking expert advice. A low environmental impact rating does not mean you should not consider environmental factors when developing your market approach. Market analysis should still require the market sector to demonstrate compliance with minimum acceptable standards.

Any minimum standards and/or requirements introduced to mitigate risk to your organisation must be clearly included in the procurement activity specification and evaluation criteria.

## **Using this tool**

This tool accompanies the [Environmental impact in procurement - Goods and services procurement guide.](https://buyingfor.vic.gov.au/environmental-impact-procurement-goods-and-services-procurement-guide)

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