23.103 Policy.

(a) Agencies *shall* procure *sustainable products and services* (as defined in 2.101) to the maximum extent practicable.

(1) Procuring *sustainable products and services* is considered practicable, unless the agency cannot acquire *products* or services—

(i) Competitively within a reasonable performance schedule;

(ii) That meet reasonable performance requirements; or

(iii) At a reasonable price (see 23.103(a)(2)).

(2) When considering whether the price of a sustainable product is reasonable, agencies *should* consider whether the product is cost-effective over the life of the product. For ENERGY STAR® or Federal Energy Management Program (FEMP)-designated *products*, a price is reasonable if it is cost-effective over the life of the product taking energy cost savings into account (<u>42 U.S.C.</u> <u>8259b(b)(2)</u>). Life-cycle cost savings tools for *energy-efficient products* are available at <u>https://www.energystar.gov/buildings/save_energy_commercial_buildings/ways_save/energy_efficient_products</u> and <u>https://www.nrel.gov/analysis/tech-lcoe.html</u>.

(b) When procuring sustainable products and services, agencies shall—

(1) Ensure compliance with applicable statutory purchasing program requirements (see 23.107); and

(2) Prioritize multi-attribute sustainable products and services (see 23.104(c)(2)).

(c) Regarding *products* under *contract actions* for services or *construction*, the contractor is required to provide *products* that meet the definition of *sustainable products and services* at 2.101, if the *products* are—

(1) Delivered to the Government;

(2) Furnished by the contractor for use by the Government;

(3) Incorporated into the *construction* of a public building or public work; or

(4) Acquired by the contractor for use in performing services under a Government contract where the cost of the *products* is a *direct cost* to a Government contract (versus costs which are normally applied to a contractor's general and administrative expenses or *indirect costs*).

Parent topic: Subpart 23.1 - Sustainable Products and Services