

Green Purchasing Strategy Workshop

North American Green Purchasing Initiative (NAGPI)

Hosted by the Commission for Environmental Cooperation, Montreal
Friday, 19 September 2003

9:00–9:15 Introduction

Mr. William Kennedy, the new CEC Executive Director, welcomed and congratulated the NAGPI steering group and the CEC for their great job encouraging green procurement in North America. Mr. Kennedy mentioned the importance of investing more in environmental technology and environmental services, and commended the NAGPI and others for bringing people together to get better results.

Chantal Line Carpentier described the NAGPI Steering Committee, and emphasized how important the support and trust of the three countries (Canada, Mexico and the United States) is for the group. She outlined the following objectives for the meeting:

- 1) Share growing concerns from within the purchasing community about the mixed messages consumers and institutional purchasers receive from environmental purchasing advocates.
- 2) Address common challenges facing organizations that promote environmental purchasing issues.
- 3) Identify opportunities for greater collaboration among advocates of environmental purchasing.

Chantal Line asked all participants to introduce themselves and, at the same time, to mention what they consider the key tool and main challenge for green procurement. The purpose of this is to create work guidelines.

A complete list of the participants is in the appendix.

10:30–11:00 Reviewing Challenges and Tools

Scot Case

Scot reviewed the list of common challenges and purchasing tools developed at the September 2002 meeting. The list also included additional relevant information resulting from the above discussions.

He outlined the most frequently cited challenges, such as:

- Confusion resulting from inconsistent, multiple-source environmental purchasing messages.

- The commonly held belief that products are unavailable, too expensive, or unreliable.
- Insufficient information for buying green products.
- Insufficient or non-existent public interest in green products.
- Tenuous links between pollution and purchasing means cost of product becomes a determining factor.

Discussion:

- Brian Johnson emphasized the need to adjust messages to different target audiences, and the importance of getting procurement officials in the room.
- Bob Lalonde suggested that purchasers be engaged, for it is important to maintain their commitment and to understand their inherent differences.
- Dana Arnold argued that it would help to get federal agencies on the agenda.
- Archie Beaton said that the purchasing community is being given conflicting messages. Leaders must have a common agenda in order to identify the issues that need to be dealt with (including governmental support).
- Laure Waridel supported Beaton's point by stressing that it is essential to develop specific tools for particular issues and a specific audience. These tools need to be accompanied by clear arguments that highlight the positive aspects of the NAGPI's goals.
- Irma Aurora Rosas expressed concern about how to recognize supply and demand. She said that governments need to incorporate suggestions from society at large.
- Eun Sook Goidel also suggested matching message to audience; purchasers act as facilitators or gatekeepers to ensure that broader decisions are made, based on material selection. It would help to include other key decision makers in this process.
- John Pollak talked about the Global Ecolabelling Network. Between five and ten cleaning products need to be selected to make sure which ones are certified (this could be done through a web site).
- With the WTO in mind, he reminded everyone that it is essential to keep the government purchasing agreement in place. Many people express concerns that key potential participants are not being invited to these forums.

Dana Arnold mentioned that there are provisions in the GATT related to plant life and conservation that were not transferred to NAFTA or the WTO. Is the Office of the Federal Environmental Executive (US) trying to push for change in this area?

- Sandra Cannon reiterated Ms. Goidel's point about regarding the purchasers as facilitators. She also asserted that, when considering product categories, there is a need to bring users into the picture.
- Chantal Line gave a brief overview of the role of the CEC, emphasizing its responsibility as a catalyst for environmental change.

11:00–11:30 NAGPI Overview

Scot Case and John Pollak

Scot Case and John Pollak began their presentation by showing a diagram of the potential NAGPI structure, outlining the network of linkages between various actors that may be in place. They then identified the specific NAGPI clients, with emphasis on information multipliers, environmental standards development, and certification organizations. They defined the first group as organizations that provide purchasers with information about environmentally preferable purchasing. They concluded by detailing standards and labelers, institutional purchasers, manufacturers and suppliers, and government programs. They also mentioned that governments fit all categories.

Discussion:

- Madeleine Plouffe outlined the best green purchasing practices (as noted above) for every step of the procurement process. This involves two parts:
 - 1) Infrastructure—operational level—developing policies and practices for a green workplace (using electronic tools to save paper).
 - 2) Actual procurement process—systematically going through each step to incorporate environmental components.

The best-practices list will encompass both a guide and a checklist. Once this is completed, two pilot projects will be carried out with the CEC and Semarnat, respectively.

- John Pollak expanded on Plouffe’s description of the best-practices project. He indicated that it could be the basis for future awards and certifications. He stressed that when considering a life cycle, the sustainability of the project must be reflected in the cost.
- Brian Johnson emphasized that any action enabling the NAGPI group to enter the world of purchasers will serve to assist its work in the long run.
- Building on Brian’s point, Dana Arnold said that there needs to be an effort to use the purchaser’s language when communicating with them. They need to be given the tools to make green purchasing part of their everyday decisions. Continuing to use environmental vernacular won’t work, as most people are only concerned about their agency’s budget.
- Irma Aurora Rosas pointed out the need to talk about cost-benefit analysis in order to bring down costs in general.
- Shawna McKinley suggested holding focus groups of planners and suppliers for gauging their costs. This endeavor has the potential to reduce the “us versus them” dynamic that exists between environmental groups and industry.
- Scot Case proposed that the NAGPI community address purchasing groups by regarding related matters as one central issue, rather than as separate components.

12:00–1:30 Presentations by the Three Governments

Greening Canadian Government Purchasing

Loretta Legault, Environment Canada

Legault outlined the driving forces behind Canadian green procurement, various Canadian initiatives and specific challenges. Some driving forces noted include local and global pressures, the government's Climate Change Action Plan and Corporate Social Responsibility. One of the Canadian initiatives noted above is the Energy Star Program. Another prominent program is the Sustainable Development Strategy (SDS). Legault also pointed to the importance of hybrid vehicles as a tool to reduce the negative environmental impacts of conventionally fueled vehicles.

Semarnat

Luz Aída Martínez

Promoting the use of environment management systems within all federal agencies to achieve the maximum sustainable use of natural resources and preventing environment pollution are some of Semarnat's major efforts. These include joint actions toward saving energy and water, better waste management and purchasing fewer articles that affect the environment. As Green Purchasing is a priority, we have been trying to involve other potential actors in this challenge. This is also the reason for the creation of Green Purchasing Civic Committee—to count on the participation of academics and the representatives of NGOs, private industry and governmental institutions to advise Semarnat on policy making, to issue recommendations, and to propose interdisciplinary actions for moving forward on this matter.

To lead by example, we are convinced that these actions should start in our own offices. To that effect, Semarnat is intensively promoting the Sustainable Administration Program (*Programa de Administración Sostenible—PAS*), whose principal mission is to improve the Institution's environment performance, through a responsible use of the resources and, among other things, green purchasing, mainly regarding office supplies. PAS reaches the whole nation, since it is applicable to all Semarnat agencies within the country.

Environmentally Preferable Purchasing at EPA

Julie Shannon, EPA (presented by Dana Arnold)

Dana Arnold outlined several federal green purchasing programs in the following areas: recycled content, energy efficiency, bio-based content and environmentally preferable purchasing (EPP). Equal weight was given to various government pilot projects in construction, office products, services, solvents and other industries designated as miscellaneous. She emphasized that the green buildings section of the EPA web site containing the report to the president was a very notable

example of construction-related progress within EPP. Ms. Arnold later made reference to specific products and services where green initiatives were being developed.

Discussion:

An important question was brought up trying to get a sense of whether discussion related to green purchasing exists among federal, state (or provincial) and municipal governments.

- Sue Nogas indicated that, in her experience, there is not much discussion between state and local governments, as each uses its own resources.
- Luz Aída Martínez's experience has been one of broad communication among all Semarnat offices throughout the country. There is long-term planning where Semarnat works with representatives from local governments.
- Eun Sook Goidel indicated that there is a federal network for sustainability, whose membership includes federal agencies in the western United States. They have tried to create links with local governments to address issues related to bio-diesel and paper.

Three breakout groups were formed to discuss the NAGPI concept through the following questions:

- *Would an informal NAGPI-like organization help address the challenges identified earlier?*
- *How can NAGPI be improved to make it more useful?*
- *How do we maximize the benefits for each participant and the broader movement?*

Overview of breakout groups

- Help to have a supporting network of groups beyond the CEC for the development of NAGPI. This would include a wide variety of actors from all three countries.
- Have to consider how the purchasing professional may respond to different types of motivating factors.
- Need to take into account how decisions would be made if there were three products connected to NAGPI chosen from among the following:
Highest cost, highest services, energy, green building, CFC-free, climate-driven, paper, vehicles, ocean-based products, carbon sequestration, water (list not complete).
- Therefore, two parallel efforts need to be undertaken to move forward:

1 – Create a focus for the development of a general sort of discussion using a language that everyone can understand

2 – Direct this toward three products selected by the group

- Recognize that NAGPI is currently an information clearinghouse. This fact needs to be relayed to the target groups using the web.
- Apply the diagram that Scot Case and John Pollak used for their presentation—Potential NAGPI Structure—on the web site in order to understand the information multiplier better
- Use the web site for information-sharing to determine areas of green purchasing within different states; incoming and outgoing links to organizations that center on a specific product can be included as well
- Increase stakeholders and clearly explain NAGPI's mandate and how it came into existence
- Reach organizations that are credible according to NAGPI's areas of interest
- Consider NAGPI as a liaison to purchasing agencies

The discussion then shifted into addressing whether NAGPI should be focused on specific commodities, or should it have a more general approach.

- Scot Case felt that the NAGPI group would have enough room to develop a generic purchasing policy while being commodity driven as well (i.e., it could focus on two commodities, such as recycled content and energy).
- He also suggested using a green purchasing catch phrase that would appeal to a wide audience.
- He stressed the importance of taking into consideration cultural differences, amongst countries and the subcultures within countries.
- The group reiterated that the purchasing language used is essential. This language needs to be implemented as part of the growth of a larger purchasing movement.
- There was also concern expressed regarding the need to determine the nature of NAGPI's orientation. The development of a newsletter, the use of telephone communication and the establishment of focus group studies were all considered as possible tools for the new entity.
- Chantal Line Carpentier indicated that the upcoming NAGPI developments can be incorporated into the Environment, Economy and Trade's program plan budget for the remainder of the year

Next Steps:

John Pollak

- Planned to search for certifiers/information multipliers and place them on the internet (could begin this process with available resources by January 1).
- Also suggested that the NAGPI group meet annually as a forum for strategic planning rather than a conference.

- Later emphasized that the CEC needs to emphasize why they are interested in this initiative.

Chantal Line Carpentier

- Mentioned that the CEC could develop tools for the purchasers.

Brian Johnson

- Suggested using the video version of the NAGPI pamphlet that he developed with Scot Case as a marketing tool.

Jeff Stephens

- Said that every member of the NAGPI group can bring relevant literature to meetings, using their own networks to spread the green purchasing message.
- Later suggested that the group could take the categories of products brought forth by Brian to see how many certification programs they are connected to.

Nicole Rycroft

- Believed that the discussion was too advanced for the group's current position. She said that clear goals, a mission statement and related priorities need to be identified before considering the above-noted products.

Chantal Line Carpentier

- Recognized the importance of Rycroft's point, but emphasized the need to develop an action plan with concrete activities.
- Thought that one important action could be to use the web as a marketing place connecting cities or other groups.

Scot Case

- Reiterated the importance of defining NAGPI first, developing a concise strategy, and following this with the identification of product categories.

Brian Johnson

- Brought forth two important points related to categories and network. He suggested that a white paper be developed to distill the number of categories. He also recommended developing mentoring teams as an information-diffusion mechanism, using the example of linking purchasers and an environmental health organization.

Loretta Legault

- Mentioned the need to develop an inventory of the various training tools, courses that are already in existence which would help to avoid duplication.
- Also expressed her interest on being included in the monthly conference calls of the steering committee.

Dana Arnold

- Asserted that it is important to look at what is politically driving an issue (used example of PBT case).

Closing Remarks: Next conference call—31 October at 2:00 p.m.

Appendix: Introduction of participants

Scot Case (by phone)

Director of Procurement Strategies, Center for a New American Dream

- His organization developed training materials and a number of projects with different groups of purchasers.
- They also try to reach institution purchasers to teach them how to buy products that pollute less.
- They are currently working with approximately 60 environmental communities in the US.
- High on the list of challenges faced by purchasers was figuring out common links and arguments in the purchasing process. Is it green, sustainable, lead-free or what? For this reason, it is essential to assist these purchasers in outlining a common ground between their area of focus and government work.

Eun Sook Goidel (by phone)

Pacific NW Pollution Prevention Resource Center

- Her organization is involved with state agencies in raising awareness of issues such as paper, electronics, PBT and mercury.
- Ms. Goidel encountered similar challenges as those experienced by Scot Case.

Sandra Cannon (by phone)

Environmentally Preferable Purchasing, US Department of Energy

- She proposed a nationwide plan, and suggested [that the initiative] become one voice after the workshop.
- She also mentioned that purchasers continue to have products compiled on their web sites.

John Pollak

President, TerraChoice Environmental Services

- TerraChoice develops green purchasing initiatives for the Canadian government's environmental choice program.
- He indicated that a key challenge is how the purchasing community is caught between policy at the top of the structure and what is actually in the marketplace.
- Another key consideration is the task of avoiding duplication and redundancy.

Loretta Legault

Manager, Stewardship and Compliance, Environment Canada

- She mentioned the development of a government-wide procurement policy which is currently under development and would include the recent requirement for the government to purchase Energy Star equipment and products.
- Among EC challenges, she mentioned the decentralization of procurement within the Federal Government, and the difficulty this poses with respect to implementing a policy/program, monitoring and reporting.

Bernie Latreille

Director, Environmental Affairs Branch, Environment Canada

- He alluded to the government's one-tonne challenge initiative, where Canadians would be making their own efforts to reduce GHG emissions by one tonne each.
- The work needs to be streamlined throughout all federal departments. The Federal Government does not take into account long-run effects, and focuses on expenses instead.
- One key challenge is that procurement in general has become decentralized, especially with credit card buying – though current trends seem to be moving back to recentralizing purchase decisions after some scandals. There are so many organizations involved in green procurement that everyone pretends to be a specialist.

Megan Jamieson

Project Manager, International Council for Local Environmental Initiatives

- The key is to create an Ecologic Procurement Program. She believes North America is exploring this initiative.

Nicole Rycroft

Campaigns Director, Markets Initiative

- Markets Initiative works with Canadian companies to help them develop green purchasing policies.
- A key challenge for industry is the process of becoming a model of sustainability, where a credible chain of verification for environmental organizations is developed.
- Another challenge is to how to provide support to industry for green purchasing.

Archie Beaton

Executive Director, Chlorine-Free Products Association

- He expressed concern regarding what he believed was the absence of an accurate definition of “environmentally friendly.”
- He suggested that a conference should be held with many different certifiers to develop a certification system for different countries, agreeable to all.

Laure Waridel

Vice-President, Equiterre

- Equiterre has promoted fair trade and organic agriculture. It has also worked with citizens, schools and businesses to raise awareness in that regard.
- Two significant challenges have been the development of more sustainable products, as well as efforts to raise awareness through mainstream media.

Irma Aurora Rosas

Coordinadora del Programa Universitario de Medio Ambiente, Universidad Autónoma de México

- The key tool is to carry out a project on the use of waste.
- The key challenge is to identify the suppliers of green products; in Mexico, few companies make them.
- This is expected to have a great impact, not just limited to the university; government and private companies should follow the example.

Jeff Stevens

Communications Director, Scientific Certification Systems

- Has used certification tools for a variety of American companies. He recently developed standards for environmentally preferable products.
- As a key challenge, he mentioned the broadening of a network of peer reviewers, so that more people would be involved in the assessment process.

Bob Lalonde

Purchasing and Risk Manager, Greater Vancouver Regional District

- His organization has had a green purchasing policy since 1990.
- He finds there is a lot of frustration among Canadian groups in identifying products.
- He pointed out the importance of training programs.
- He identified the challenge of engaging green purchasing professionals in the development of an efficient policy.
- He also found that it is challenging to implement policy effectively.

Alejandra Martínez García

Subdirectora de Gestión del Riesgo, Comisión Federal para la Protección Contra Riesgos Sanitarios, Secretaría de Salud

- A major challenge is to purchase and use environmentally safe materials within hospitals, and then extend the policy to the clinics.

Mary Ann Remolador

Assistant Director, Northeast Recycling Council

- Her organization is working with ten northeast states in the US, encouraging publishers to have recycled contents indicated on their publications.
- As a key tool, they have developed an EPP list on the Web. It is open to the public (private suppliers are not allowed) and is quite active; its members number around 380.
- Her organization's calendar is linked to community environmental efforts.
- Her organization is currently constrained by the reality of tight budgets in the northeast states. There is a need to motivate states to develop interest in EPP.

Joaquín Romero Osorio

Subdirector Ejecutivo de Recursos Materiales y Servicios Generales, Secretaría de Salud

- His organization regulates sanitary practices of health-related goods and services.
- His organization would like to use recycled paper, but it is considerably more expensive than the commonly used kind.

Sue Nogas

Comprehensive Procurement Guidelines (CPG) Program Office of Solid Waste, EPA

- They have used an online database to search for vendors that sell environmentally friendly products. This includes a fact sheet describing product details and indicating where products can be purchased.
- Currently, stakeholders within the Federal Government are slowing down their green purchases. There needs to be a strategy developed to reverse this trend.
- The challenge is to improve a program reconciling stakeholders and industry groups.

Tom Murray

Project Manager, Environmental Defense

- His sub-program within Environmental Defense works with American companies to reduce environmental liabilities. They use their purchasing power to buy environmentally preferred products (such as recycled paper and hybrid vehicles). The organization uses its web site to calculate the environmental benefits of fuel savings. It also is part of a paper network that provides a common vision for the sustainable paper industry.
- He identified as an important challenge the difficulty of motivating certain companies to shift to environmental preferred purchasing practices.
- Another challenge would be to improve the relationships with suppliers.

Shawna Mckinley

General Manager, Oceans Blue Foundation USA

- The key tool is a web site integrating diverse data on green products.
- It is vitally important to communicate in a language people can understand. She also would like to spread the word to other countries and work on both the supply and demand sides.

Brian Johnson

Manager, Environmental Division, City of Santa Monica

- They have developed a video about EPP that was produced with the Centre for a New American Dream.
- They have also produced a pilot project with a number of green products.
- He would like to make the organization's programs more systematized so that decisions are made more effectively.
- They are looking to create a program to determine more credible products.
- The largest challenge is to foster the change process and to inspire agencies to make sustainable purchasing decisions.

Elizabeth Skinner

Special Projects Manager, Rainforest Alliance

- The organization offers third-party organic certification for bananas, cocoa and coffee, and promotes certification throughout North America. However, certification could be costly for non-profit organizations.
- Challenges faced by the forestry industry concern both supply and demand. On the supply side, there needs to be more information on obtaining certification. On the demand side, purchasers need to be identified. Finally, links between producers and purchasers should be strengthened.

Dana Arnold

Chief of Staff, Office of the Federal Environmental Executive

- The Office is created by executive order and is staffed by people on assignment from various agencies. It works closely with the federal agencies on six areas: waste prevention/recycling, green purchasing, sustainable buildings, electronics stewardship, environmental management systems, and industrial ecology.
- They have carried out a large amount of green purchasing training.
- They would like to develop a program where the purchasing community could take an online class about buying green.
- The organization currently has a quarterly newsletter that focuses on different green issues.
- It is also trying to develop a "best practices" web site to discover what other organizations are doing with green purchasing.
- A key challenge is to solve the problem of initial cost versus best value. There is a lack of incentive due to the way institutions are organized: those who make the buying decision at original prices are not necessarily those that benefit from long-

term maintenance and operation costs. Thus there is a perverse incentive not to look at life cycle costs.

Lou Pagano

Director, Purchasing and Materials Management, City of Toronto

- An intergovernmental committee that he chairs, called Governments Incorporating Procurement Policies to Eliminate Refuse (GIPPER), has developed a guideline for environmental purchasing, which can be found on the TerraChoice web site.
- He also noted that purchasing is often caught in the middle of conflicting guidelines amongst certification organizations. He would like this to be rectified through the development of consistent guidelines.
- Among the challenges, he underlined acceptance of green products, the perception that they cost more, information on what is available and certification of environmental claims made by the suppliers of such products.

Carollyne Smith

Environmental Advisor, National Defense

- She has developed tools connected to green procurement strategies for the province of Quebec.
- She finds that convincing purchasers to use environmental friendly paints and floor cleaners a major challenge.

Madeleine Plouffe

Green Procurement Marketing Specialist, TerraChoice Environmental Services

- She notes that bridging the gap between policy and strategy is a big challenge.
- They are in the process of developing a best-practices guide and certification for NAGPI.