



EARTHCHECK

# GREEN PROCUREMENT

Products purchased and consumed by tourism businesses can have significant environmental and social impacts that are important to consider during procurement. Staff responsible for purchasing products need to be aware of the range of potential impacts of a product. This factsheet aims to provide some guidance on how to adequately assess and compare potential products to reduce the environmental impact of their tourism business.

Sustainable procurement is closely aligned with waste reduction initiatives. Along with standard procurement considerations such as cost, health and safety and availability, it is important to initially consider:

- Whether the product is essential
- If the need can be met by resources or products already available
- Whether the use of products can be reduced
- How the products purchased may impact current waste management strategies (i.e. can the product be reused or recycled?)

For more information on waste management considerations, refer to *Fact sheet 8 – Reducing Waste to Landfill*.

## WHERE TO START?

1. Think of sustainable procurement as incremental and start by choosing a small selection of products you regularly purchase that have clear environmental or social impacts that are readily known and understood<sup>2</sup> e.g. items with packaging that is not biodegradable or that cannot be reused or recycled leading to waste being sent to landfill, wasting natural resources and increasing greenhouse gas emissions.

First consider what the main environmental and social issues are and what criteria could be used to start differentiating between products. It might be easier to assess

### WHAT DEFINES A SUSTAINABLE PRODUCT?

A sustainable product is the result of a design process in which environmental, social, ethical and economic questions were partly or totally integrated<sup>1</sup>.

products on one impact initially and gradually work towards incorporating more environmental or social aspects.

Table 1 provides some examples of criteria for different stages of the product life cycle to assist with differentiating between products.

**Table 1: Examples of product comparison criteria**

Impact of	Examples of criteria to start differentiating between products
Resource extraction	Is the product made from renewable, sustainable and natural resources? What is the product's recycled content? Is resource extraction having an unsustainable impact on communities?
Production:	What is the product's embodied energy, water, waste and greenhouse gas emissions? How much packaging is used? Are there any toxic chemicals (VOC's, heavy metals, carcinogens) or ozone depleting substances being emitted? Does the production and sale of the product align with fair trade standards? What are labour conditions like? Are there concerns about human rights abuse (for children in particular)?
Transport	Where is the product manufactured? Are equivalent products available locally? How far does the product have to be transported? What mode of transport is used?
Use	Are there any health and safety concerns for staff, guests and communities (i.e. toxicity and sanitation)? Is the quality and durability of the product appropriate? Can the product easily be repaired and/or upgraded? Is the product fit for purpose (i.e. size, quantity and application efficiency)?
Disposal	Is the product biodegradable? Are there any environmental toxicity concerns for disposal? Can the product be recycled or reused?



## CASE STUDY:

**Sydney Convention and Exhibition Centre (SCEC), Australia.**

The Sydney Convention and Exhibition Centre, Darling Harbour, Australia upon reviewing its purchasing procedures decided it would no longer accept food deliveries in Styrofoam packaging which could not be recycled. Thanks to the cooperation of the venue's supplier, food deliveries now arrive in recyclable and reusable packaging.

## PROCUREMENT POLICY

The most effective way to ensure green procurement is considered is to develop standard procurement policies to help staff select the most suitable product available with the least environmental and social impacts.

A procurement policy should consider the full range of environmental, social and economic issues across the lifecycle of a product (from extraction of resources, through production, transport, purchase, use, final disposal and everything in between). Policies should be simple and clear and outline decision making strategies that incorporate green procurement initiatives. Policies should specify:

- The types of products that can be purchased
- Environmental, social and economic issues to consider
- The basis of product comparison (i.e. per 100 sheets of office paper)
- The approval procedures to be followed

Make sure policies are continuously reviewed and updated as new information on products becomes available



## CASE STUDY:

### The Langham Hotel, Auckland New Zealand

The Langham Hotel in Auckland, New Zealand has developed a Green Suppliers Questionnaire and Sustainable Procurement Policy which applies the cradle to grave approach to all procurement activity. Suppliers are requested to provide environmental credentials or evidence of an environmental management system. A list of preferred product characteristics has been developed stipulating a range of preferred environmental criteria. The purchasing manager is trained on sustainable procurement by attending conferences and workshops.

2. Next, assess the functionality, availability and difference in costs to determine whether capital cost of purchasing the environmentally or socially preferred product. When making purchasing decisions it is very important to take a holistic view and not just focus on the initial capital cost but also consider the many hidden costs such as:

- Operational costs including water, energy, waste and ongoing cleaning and maintenance
- Repair, replacement, disposal or resale costs
- Administration and regulation costs
- Staff training and health and safety considerations<sup>3</sup>

Lifecycle costing comparisons clearly show that green products do not necessarily cost more when operational costs are considered. The higher initial investment can be offset by lower ongoing savings in resources such as water, energy and waste<sup>4</sup>.

A lifecycle costing tool incorporating the option of environmental costs has been developed by the Swedish Environmental Management Council. The tool is freely available online to assist with procurement decision making. See: [www.msr.se/en/green\\_procurement/LCC](http://www.msr.se/en/green_procurement/LCC)

The EU Energy Star can also assist with assessing lifecycle energy costs. See: [www.eu-energystar.org/en/en\\_calculator.shtml](http://www.eu-energystar.org/en/en_calculator.shtml)

## TIP

It is important to compare products of equivalent function. For example:

- **Paper products:** Environmental and social impacts should be compared per sheet of paper (or per 100 or 1,000 sheets of paper)
- **Chemicals and pesticides:** These products should be compared based on their application efficiency and effectiveness. For chemicals, determine the full range of impacts to clean a specified area such as per 10m<sup>2</sup>, whilst for pesticides consider the impacts of pesticide use per 1m<sup>2</sup> of effective pesticide treatment

3. Finally, consider the transparency and credibility of available information and data. An environmentally or socially preferable product is a product which has an overall minimum environmental or social impact throughout its lifecycle (i.e. from the extraction of resources to make the product to its final disposal). Assess what the information is telling you about the lifecycle of the product and how the information has been developed. Ask the following questions:

- What stages of the lifecycle are included and are there aspects which have been left out?
- Is the information verified by an independent third party?
- Does the information apply to the operating procedures of your business?
- Are products being compared on the same basis?

## HOW DO I FIND PRODUCT INFORMATION?

To find out the main environmental and social issues which are relevant to your products and services and the creditability of information about your product, you may need to:

1. **Research the company and its products** to get an insight into what important aspects need to be considered and how well the company is addressing these issues:
  - Does the company's web site or promotional material mention codes of practice, standards, charters or guidelines by which they abide?
  - Does the company have an environmental or social responsibility policy, relevant certifications and/or Environmental Management Systems?
2. **Look for products with information available on their environmental and**

## **social impacts across their lifecycle.**

Lifecycle assessments (LCAs) provide important and useful information, however they are quite sophisticated and detailed so they will not always be available

3. **Consider rating labels** such as energy or water ratings or 'stars'. They can provide useful information to procurers when comparing products, but are generally single issue focused
4. **Environmental and ecolabels** can make purchasing decisions easier however; they need to be critically assessed based on the operation of the business. An ecolabel is basically a label which identifies overall environmental preference of a product or service based on lifecycle considerations<sup>5</sup>.
  - What to look out for in an ecolabel:
  - Independent third party certification
  - Comprehensive and based on lifecycle considerations
  - Standards developed with participation from a range of stakeholders, based on sound scientific evidence and available for review
  - Transparency of information provided
  - Ongoing auditing and recertification requirements
  - Compare products of similar function

Eco-labels should not be used exclusively. If a product or service is able to demonstrate equivalent performance, it should not be excluded from procurement considerations.



## CASE STUDY:

### El Gouna Movenpick, El Gouna, Egypt

El Gouna Movenpick in El Gouna, Egypt purchase environmentally friendly products through a central control system which ensures preference is given to bulk purchasing and ecolabelled products. 99% of internal surface cleaners are ecolabelled with training provided on a weekly basis to relevant employees whilst pesticides are supplied by an environmentally certified company approved by local authorities.

Procurers should be aware of the three types of eco-labels:

- **Type 1 ecolabels** have a set of predetermined requirements to identify products which are environmentally preferable
- **Type 2 ecolabels** make self-declared environmental claims. Assurance regarding the accuracy of claims can be provided through verification and a clear, transparent, scientifically sound and documented evaluation methodology<sup>6</sup>
- **Type 3 ecolabels** provide quantified environmental information on the lifecycle of a product to enable comparisons between products fulfilling the same function. They should:
  - Involve independently verified lifecycle assessment (LCA) data
  - Be developed using predetermined parameters
  - Be subject to certification by an ecolabel system e.g. Green Seal

The United Nations Office for Project Services (UNOPS) has developed a guide to reliable and relevant international environmental labels. The guide is not intended to be exclusive or exhaustive, but can help to provide some guidance and information for product purchasing. The guide is available at: [www.unghm.org/SustainableProcurement/tools/UN/EnvLabels\\_executive%20summary.pdf](http://www.unghm.org/SustainableProcurement/tools/UN/EnvLabels_executive%20summary.pdf)

For a complete list of ecolabels worldwide visit the Global Ecolabelling Network (GEN) at [www.globalecolabelling.net](http://www.globalecolabelling.net)

## SPECIFIC ISSUES TO CONSIDER FOR CLEANING, PESTICIDE AND PAPER PRODUCTS

### Chemicals (cleaning and pesticides)

Cleaning chemicals and pesticides can have detrimental effects on the environment and health and safety of employees, guests and the community. It is essential that cleaning is effective to provide sanitary and safe facilities, however there are countless products now available that can achieve equivalent performance at a reduced cost to the environment.

#### TIP

The Responsible Care Initiative is a global voluntary initiative of the chemical and pharmaceutical industry. Find out whether your supplier has signed up to the initiative and what steps they have taken to implement the "Fundamental Features" of the initiative. For more information visit: [www.responsiblecare.org](http://www.responsiblecare.org)

Request suppliers provide you with Material Safety Data Sheets (MSDS) on the chemical products you are purchasing. This information will provide you with the key environmental and health and safety information required for making informed decisions.



### CASE STUDY:

#### The Taj Residency Bangalore

The Taj Residency in Bangalore, India uses Johnson Diversey cleaning products because the company is committed to environmental stewardship not only in its products but also in the design, production and use. More than 100 of its products have been certified by independent third party groups such as Green Seal, Ecologo, EU Flower and Nordic Swan. The supplier also trains staff in the correct use of its products.

At the Taj Residency 100% of their weedicide and fungal, rodent and insect killers are eco-labelled Bayers products who have been identified as a world sustainability leader using the Dow Jones Sustainability World Index for over a decade. The company has aligned itself with the voluntary 'Responsible Care' initiative of the chemical and pharmaceutical industries and signed the revised Global Charter of that initiative.



### Cleaning products

Cleaning products vary considerably in their composition, function, availability and effectiveness. Ecolabelled products can help to distinguish some cleaning chemicals. The Green Seal standard recommends cleaning chemicals be available for purchase in concentrated form (to reduce packaging) and contain minimal phosphorous. In addition, the standard specifies some ingredients which should be prohibited:

- Heavy metals including, lead, hexavalent chromium, or selenium; either in the elemental form or compounds
- 2-butoxyethanol
- Alkylphenol ethoxylates
- Phthalates

### Pesticides and herbicides

The first issue to consider when assessing pesticide and herbicide use is whether they are actually needed:

- Can the area be hand weeded instead of using an herbicide?
- Are there passive design options which might negate the need for pesticide use, for example:
  - planting with natural pesticide plants
  - regrading areas to prevent water pooling which encourages pests
  - better housekeeping including not leaving food scraps or rubbish around
  - segregating problem areas to reduce the amount of pesticide required
  - installing physical barriers to prevent pest invasion
  - mulching to prevent weeds

Along with the Responsible Care Initiative, the Pesticide Action Network provides an international database on pesticide toxicity and regulatory information. For more information visit: [www.pesticideinfo.org](http://www.pesticideinfo.org)

### Paper products

Paper products are common to most tourism operations and although they can represent a relatively small cost, the embodied environmental impacts can be significant. Key issues to consider when purchasing paper products include:

- Whether the paper comes from sustainable forestry practices (such as Forest Stewardship Council (FSC) certified)
- Chemicals used during manufacture (for example chlorine bleaching)
- Recycled content
- Recyclability

### FOR MORE INFORMATION

For more information on environmental standards for cleaning products visit:

- Green Seal: [www.greenseal.org/certification/cleaning\\_products.cfm](http://www.greenseal.org/certification/cleaning_products.cfm)
- Euro Flower: [ec.europa.eu/environment/ecolabel/ecolabelled\\_products/product\\_categories\\_en.htm](http://ec.europa.eu/environment/ecolabel/ecolabelled_products/product_categories_en.htm)
- Australian Environmental Choice: [www.geca.org.au/StandardsRegister.htm](http://www.geca.org.au/StandardsRegister.htm)

For more information on sustainable paper products, review the standards available through:

- GreenSeal: [www.greenseal.org/certification/paper\\_products.cfm](http://www.greenseal.org/certification/paper_products.cfm)
- EU Flower: [ec.europa.eu/environment/ecolabel/ecolabelled\\_products/product\\_categories\\_en.htm](http://ec.europa.eu/environment/ecolabel/ecolabelled_products/product_categories_en.htm)
- Good Environmental Choice Australia: [www.geca.org.au/StandardsRegister.htm](http://www.geca.org.au/StandardsRegister.htm)

Where to go for more information on green procurement and sustainable products:

- United Nations Global Marketplace, [www.ungm.org/SustainableProcurement/moreInfo.aspx](http://www.ungm.org/SustainableProcurement/moreInfo.aspx)
- UNOPS, 2009, A Guide To Environmental Labels [www.ungm.org/Publications/sp/Env\\_Labels\\_Guide.pdf](http://www.ungm.org/Publications/sp/Env_Labels_Guide.pdf)
- European Commission, 2004, Buying Green! - A Handbook on Environmental Public Procurement

### REFERENCES

<sup>1</sup> UN – Sustainable procurement: Buying for a better world - [www.ungm.org/SustainableProcurement/toolsUN/TRAININGResourceBook\\_UNSustainableProcurementTraining.pdf](http://www.ungm.org/SustainableProcurement/toolsUN/TRAININGResourceBook_UNSustainableProcurementTraining.pdf)

<sup>2</sup> UN – Sustainable procurement: Buying for a better world - [www.ungm.org/SustainableProcurement/toolsUN/TRAININGResourceBook\\_UNSustainableProcurementTraining.pdf](http://www.ungm.org/SustainableProcurement/toolsUN/TRAININGResourceBook_UNSustainableProcurementTraining.pdf)

<sup>3</sup> UNDP Practice Series - Environmental Procurement Practice Guide

<sup>4</sup> UNOPS 2009, A GUIDE TO ENVIRONMENTAL LABELS - for Procurement Practitioners of the United Nations System

<sup>5</sup> Global Ecolabelling Network (GEN), "Introduction to Ecolabelling", July 2004, p.1. [www.globalecolabelling.net/pdf/pub\\_pdf01.pdf](http://www.globalecolabelling.net/pdf/pub_pdf01.pdf)

<sup>6</sup> ISO 14021:1999 - Environmental labels and declarations - Self-declared environmental claims (Type II environmental labelling)

<sup>7</sup> ISO 14025:2006 - Environmental labels and declarations - Type III environmental declarations - Principles and procedures

