# Procurement for People and the Planet

Solutions for sustainable procurement dedicated to governments and businesses

ECOLAS

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## Sustainable Procurement Solutions

The power of procurement for people and planet is a muchneeded tool for driving circular economy solutions, future innovations and saving money!

As most organizations spend 40 to 80% of their financial resources in their supply chains, sustainable procurement is a powerful instrument and lever for governments, organizations and communities wishing to purchase more sustainable products and services, while also contributing to the achievement of the United Nations Sustainable Development Goals. "Public procurement, which amounts to over US\$13 trillion annually at global level" and "public and private procurement, accounting for roughly 20-30% of global GDP each year" (Sustainable Public Procurement 2022 Global Review).

Through sustainable procurement, organizations can better manage costs, ensure compliance with major regulations and policies, protect their reputations, and increase their competitive advantage in increasingly complex markets. Sustainable procurement is procurement that takes into account of the environmental, social, and economic impacts possible over the entire product life cycle.



Ecolabelling- based on the type 1 environmental labelling program and life cycle considerations, indicates overall environmental preferability of the product/service, has gradually become the mainstream for sustainable procurement practice.

A whole- of- life cycle perspective is key because impacts on people and the planet are created at many different stages of a service and product's life - and more sustainable products, often result in significant cost savings for the user over the life of the product, through energy savings, and lower disposal fees, for instance.

#### SO WHAT IS SUSTAINABLE PROCUREMENT?

Sustainable procurement is the process of acquiring goods, services, and works in a manner that takes into account environmental, social, and economic sustainability. It involves integrating sustainability criteria into the procurement process to ensure that the products and services purchased:

- minimise negative outcomes and optimise positive outcomes for society and the planet;
- align with an organization's commitment to environmental protection, social responsibility, and long-term economic viability; and
- provide good value for money, from a lifecycle cost perspective

## WHAT IS SUSTAINABLE PUBLIC PROCUREMENT?

Sustainable Public Procurement (SPP) integrates sustainability considerations specifically into the public procurement process. It involves making purchasing decisions that not only meet the immediate and long term needs of government entities but also consider social, economic, and environmental impacts throughout the entire product or service lifecycle. The primary goal of SPP is to take into account if the environmental and social outcomes while also maximizing value for money. SPP are about going beyond traditional procurement practices, which often prioritize compliance, cost and quality, by adopting a triple-bottom-line approach.

Incorporating ecolabels based on ISO 14024 into procurement processes enables public entities to consider the long-term costs and benefits of their purchasing decisions. By choosing products and services with lower lifecycle costs, public procurers can contribute to cost savings, environmental protection, and sustainability in the long run. When considering public procurement, the economics of spending public funds and its associated impacts, governance and ethical considerations are critical. Sustainable procurement including SPP considers not only economic factors but also social and environmental factors. Economics with longer term considerations and through a lens of good governance are key to ensure that the true cost is measured and considered.

Life cycle thinking is fundamental to this approach in order to ensure decision making and communication is done responsibly.

SPP is a powerful lever for the government to leverage the green development of the economy, with typical public procurement characteristics and a market-oriented role. It is not only an important measure of purchasing public goods and services but also an effective policy tool. - **China Environmental United Certification Center** 



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#### Sustainable Public Procurement decisions consider:

- 1. Environmental Considerations: through reducing the environmental impact of government purchasing activities. It involves selecting products and services that are energy-efficient, have a lower carbon footprint, use fewer natural resources, are recyclable or biodegradable, and minimize harmful emissions and pollutants.
- 2. **Social Considerations:** takes into account the social aspects of procurement. This includes ensuring fair labour practices, health and safety, , promoting diversity and inclusion in supplier selection, and avoiding products that may have been produced using child labour or under exploitative working conditions.
- 3. Economic Considerations: While environmental and social factors are critical, sustainable procurement also considers economic aspects. It aims to obtain the best value for money over the entire lifecycle of the purchased products or services. This may involve evaluating life cycle costs, including maintenance, disposal, local acquisition, fairness / anti corruption regulations and energy expenses.
- 4. **Policy and Legal Frameworks:** Many governments develop policies, guidelines, and legal frameworks to support and enforce SPP practices. These frameworks may set sustainability targets, require specific certifications or standards, or mandate that certain percentages of procurement must be sustainable.
- 5. **Supplier Engagement:** it is important to engage suppliers to encourage more sustainable products and services. This can lead to market transformation, with suppliers adapting their practices to meet the demand for environmentally and socially responsible offerings.
- 6. Life Cycle Thinking: Sustainable procurement considers the entire life cycle of a product or service, from raw material extraction to disposal or recycling. This approach allows for a comprehensive assessment of environmental and social impacts throughout the product's life.
- 7. **Stakeholder Collaboration:** both sustainable procurement and SPP requires collaboration with various stakeholders, including government departments, suppliers, civil society, and experts. Involving stakeholders ensures that the procurement decisions reflect a broad range of perspectives and expertise.
- 8. **Measuring and Reporting:** SPP may include measuring and reporting the environmental and social benefits achieved through sustainable procurement. This helps assess progress, identify areas for improvement, and demonstrate the impact of sustainable purchasing decisions.
- 9. Sustainable Development Goals (SDGs): SPP aligns with the United Nations Sustainable Development Goals (SDGs), as it contributes to the achievement of environmental protection, social well-being, and economic prosperity. Overall, Sustainable Public Procurement aims to leverage the purchasing power of governments and public entities to drive positive environmental and social change while also promoting economic efficiency and responsible governance. By integrating sustainability considerations into the procurement process, SPP contributes to building a more sustainable and resilient future for societies and the planet.



#### WHY DO WE NEED SUSTAINABLE PROCUREMENT/PUBLIC PROCUREMENT?

Sustainable development should be based on the premise that we protect the planet of human beings, which has been a global consensus. Agenda 21, a global action plan for sustainable development, adopted by 183 countries at the United Nations Conference on Environment and Development (UNCED Earth Summit) held in Rio1992, pointed out:

"The major cause of the continued deterioration of the global environment is the unsustainable pattern of consumption and production". - **UNCED Earth Summit** 

Organizations spend billions annually on the procurement of goods and services. The need for sustainable procurement is unequivocal - there is broad consensus that social and environmental factors are inseparable from economic success. The close connection between financial goals and social and environmental goals, where they are internalised into the way organizations manage their supply chains through procurement, is a prerequisite for success over the long term. (source: Australian sustainable procurement guide ISO 20400).

If we account for environmental degradation, the cost of climate change adaptation, social welfare and human health impacts through the provision of medical care, the economic argument is clear.

Procurement policies and procedures regarding ethics are also key contributors to organizational behaviour and reputation. Consumers expect more from businesses and governments and the time for consumption without consciousness and sustainability is over.



#### **MATERIALS MATTER**

We only have one planet and we are currently living well beyond our boundary of one planet living. Our levels and patterns of what we consume and how much are destroying our world. Find out more about <u>One Planet Network Living</u>:

We need practical, impactful solutions and we need them now. Whether you care about climate or chemicals, manufacturers or materials or slavery and safety, we need scalable solutions for sustainable procurement and we need to address all of these aspects, all at once.

For those private organizations – providers, distributors including group purchasers) and manufacturers working with government purchasing, it is important to note that government expectations are rapidly changing. One example of this is the European Commission's leadership on the Green Deal and green directive.

These leadership actions drive global sustainability benchmarks across the whole supply chain and therefore to stay relevant, transforming your products and services is essential. <u>Take a look here for more information.</u>

#### THE FUTURE IS BRIGHT - GOING BEYOND BUSINESS AS USUAL

Our next generations expect more of our current and future leaders and will demand change. Whilst there are increasing expectations to buy better, there is also an opportunity to be a leading organization or government and go from good to great. The increase of market share of sustainable products provide business with the opportunity to go green.

Through working with your suppliers and manufacturers, and highlighting what good looks like, your procurement practice can transform the world of products together. As procurers, you help drive industry from good to great and it is as simple as being clear on your sustainable specifications.

#### **CIRCULAR ECONOMY**

The Circular Economy is also an emerging trend and increasingly an expectation of buyers around the world. The importance of longer-life more durable products and resource reuse needs to be a consideration for every input into every product. Ask your suppliers and manufacturers to design with the end in mind. If they know you are committing to purchasing circular solutions, there is more incentive for manufacturers to move, knowing they will be rewarded.

The type 1/ISO 14024 life cycle ecolabel is often referred to as the circular economy ecolabel.



#### SUSTAINABLE DEVELOPMENT GOALS



The sustainable development goals are a future focussed road map to making the world a better place.

What SDSGs are part of your sustainability strategy and why? How are you achieving SDG success?

#### SDG 12- responsible consumption and

**production** is a priority focus when it comes to procurement spend.

Given the spending on your products and services, this is where the biggest positive impact can be created. Money does make the world go around and you can make it count.

**SDG 12** - Ensure sustainable consumption and production patterns

**SDG 12.7** - Promote public procurement practices that are sustainable, in accordance with national policies and priorities

**SDG12.7.1** - Number of countries implementing Sustainable Public Procurement (SPP) policies and action plans

Learn more information on SDG Goal 12.7.

The specific target of SDG12.7 (Promote public procurement practices that are sustainable, in accordance with national policies and priorities) is measured through indicator SDG12.7.1 )Number of countries implementing Sustainable Public Procurement (SPP) policies and action plans).

Let us all work together to achieve this goal

SPP has the potential to leverage some of the largest procurement budgets in the world for driving down climate impacts and achieving more resilient, responsible supply chains across a multitude of product categories - Clare Hobby, TCO

'We Are the First Generation that Can End Poverty, the Last that Can End Climate Change' - Ban Ki -moon, Secretary-General Stresses at University Ceremony

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Example of SPP:

At present, China is committed to green development and vigorously promotes green production and consumption. The implementation of SPP can greatly promote the formation of a green industry market and the realization of SCP macro market effects. Against this background, the scale of SPP will continue to grow in China.

In the context of a global response to climate change, reduction of plastic pollution and protection of biodiversity, as a powerful tool for the government to promote green development, SPP will be more opportunities in the future -China Environmental United Certification Center

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## HOW

#### HOW DO WE BUY BETTER

We know buyers and purchasers are often busy navigating competing and often conflicting priorities- including economic limitations, so how do you make a profound difference across your supply chain? How do you understand your top priority impacts and compare suppliers in a fair and transparent way? This is where the role of international standards and ecolabels are critical to ensure we are truly delivering on our sustainable development goals and beyond.

Once you have decided what impact areas to focus on, how do you know what to buy and why? What does good look like?

There is often the complexity of life cycle analysis and reams of data which unless you are technically trained in environmental science are prohibitive to interpret and implement.

There is good news.

#### **Procurement organizations**

sometimes face resource constraints (including lacking the necessary time and expertise) when it comes to the implementation of sustainable procurement practices. This may lead to a situation where price plays the most significant role in the selection criteria for tenders and qualitative factors take a back seat. Therefore, it is essential to provide them with incentives and assistance to facilitate the implementation of sustainable purchasing initiatives.

Procurement as a profession is charged with a larger scope than ever. As procurement becomes a more strategic tool for supporting an organization's sustainability objectives, there is a challenge in knowing what tools are available to support a more sustainable product choice, and most importantly, which of those tools deliver the relevant criteria and verification essential to true environmental and social responsibility progress - Clare Hobby, TCO

Progress on the implementation of SPP in Ukraine in 2017-2020 has been significant. More information can be found here.

#### ECOLABELS MAKE IT EASIER - TYPE 1/ISO 14024 ECOLABELS HAVE ALREADY DONE ALL THE WORK FOR YOU.

Beware that only the true and trusted Type 1 ISO 14024 ecolabel delivers. Type 1 ecolabels are lifecycle based, meaning they develop criteria which address environmental (and increasingly, social) impacts across the entire product lifecycle, from raw materials extraction and manufacturing, through to product assembly, use, and end of life. And it focuses on the primary impacts by prioritising products and services. Whilst the ISO 14024 life cycle ecolabel is the key solution for SDG Goal 12, many of the eco-labelled products deliver solutions for the majority of the SDG's.

The ISO 14024 life cycle ecolabel is also globally

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known as the type 1 ecolabel.

Good to great- make sure the products are beyond minimum compliance

Relevant- the benefit is material to the producteg paper covers sourcing of timber, not just carbon neutral

Ecolabel- ensure it is a full life cycle ecolabel (ISO 14024)

Evidence- make sure you check for a valid certificate

Name it- ensure your requirements are clear in bid/tenders/policies specifications

## **DID YOU KNOW?**

The First Ecolabel was launched by the German Blue Angel (Der Blaue Engel) program in 1978.

### ECOLABELS MAKE IT EASY: WHAT IS AN ECOLABEL?

An ecolabel, by the true definition, is awarded to a product or service that has met a ISO 14024 standard.

Ecolabels are voluntary environmental certifications that help buyers including public procurement officials identify products and services with reduced environmental impacts.

It is as easy as looking for products and services certified as an ecolabel under ISO 14024. ISO 14024 is a guidance standard developed by the International Organization for Standardization (ISO) for Type I environmental labelling. ISO defines Type I environmental labelling as "a voluntary, multiple-criteria based, third party program that awards a license which authorizes the use of environmental labels on products indicating overall environmental preferability of a product within a particular product category based on life cycle considerations". (ISO 14024)

Ecolabels make it easy to purchase products that are better for people and the planet.

## SO, WHAT ARE THE BENEFITS OF USING ECOLABELS?

- 1. **Sustainability:** By choosing ecolabelled products and services, public procurement contributes to sustainability goals, reducing the overall environmental impact of their operations. ISO 14024 establishes clear and consistent environmental criteria for ecolabelling, ensuring that products and services meet specific environmental performance standards. This helps procurement officials in the public sector make informed decisions when purchasing goods and services that align with their sustainability goals.
- 2. **Cost Savings:** Ecolabelled products often have improved energy efficiency, durability, and resource conservation, leading to potential cost savings over the product's lifecycle.
- 3. **Credibility and Trust:** The standard sets rigorous requirements for the certification process, enhancing the credibility and trustworthiness of eco-labels. Procurement officials including government procurement officials can rely on these labels to make environmentally responsible choices, fostering sustainable practices in their organizations.
- 4. **Reputation:** Embracing eco-labels showcases a commitment to environmental responsibility, enhancing the reputation of the public procurement entity as an environmentally conscious organization.
- 5. Market Incentive: By promoting ecolabelled products and services, ISO 14024 encourages businesses to adopt environmentally friendly practices. Private and public procurement's preference for ecolabelled goods creates a market incentive for companies to improve their environmental performance to meet the demand for sustainable products. Eco design also fosters innovation and circular economy solutions.
- 6.**International Consistency:** ISO 14024 provides a globally. recognized framework for ecolabelling, enabling harmonization and consistency across different countries and regions. This facilitates international trade and allows public procurement officials to compare eco-labels from different sources easily.



Benefits of ecolabels

Don't forget health and safety of our manufacturers and consumers.

Ecolabelled products deliver on wellbeing too!

UNEP also recommends using a government directory of environmental ecolabelled products. This way governments can prioritise impactful products and align GDP spending. With the global emergence of sustainable procurement, the best way to ensure that suppliers comply with the requirements of sustainable procurement tenders is to rely on 14024 ecolabels which provide through third-party certification and the consideration of life cycle impacts the assurance that products provided by suppliers possess the right sustainability attributes." - Farid Yaker, former UNEP SPP Global Lead

#### **CASE STUDIES**

Take a look at the One Planet Network for other ways you can help.

See what the US EPA are doing to integrate ecolabels into their purchasing solutions The U.S. federal government is the single largest purchaser in the world spending more than \$630 billion on products and services each year and, in leading by example, has the power to catalyze a more sustainable marketplace for all - reducing climate impacts, improving the health of frontline communities, preventing pollution, and increasing U.S. industry competitiveness.

The Framework for the Assessment of Environmental Performance Standards and Ecolabels provides a transparent, fair and consistent approach to assessing marketplace standards and ecolabels for environmental sustainability and for potential inclusion into EPA's Recommendations of Specifications, Standards and Ecolabels for Federal Purchasing (Recommendations).

<u>Take a look here.</u>

Consumption of sustainable products and materials is the key for addressing resource efficiency at the National level and achieving sustainability goals. There is a need for implementing sustainable procurement at national level and at every organization level. Type-1 Life cycle based Ecolabels are third party tested, verified, and certified. Hence, bring in enormous credibility and enable countries and the private organizations to implement the sustainable procurement.

- K. S. Venkatagiri, Chairman of the Board of Directors at Global Ecolabelling Network

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#### Can businesses benefit too or are ecolabels just for the government purchasing?

#### Below are the key benefits for businesses:

- Environmental Impact Reduction: Using ISO 14024 Ecolabels helps the corporation identify and procure products and services with lower environmental impacts. This reduces the corporation's overall carbon footprint and resource consumption.
- Achievement of Sustainability Goals: By favouring ecolabelled products, the corporation actively contributes to its sustainability goals, such as reducing greenhouse gas emissions, conserving natural resources, and supporting ecofriendly practices.
- Enhanced Corporate Social Responsibility (CSR): Incorporating ISO 14024 Ecolabels in procurement decisions showcases the corporation's commitment to CSR and sustainable business practices. This can improve the corporation's reputation and stakeholder perception.
- **Competitive Advantage:** Corporations that use ISO 14024 Ecolabels in procurement can gain a competitive edge by positioning themselves as environmentally conscious and socially responsible organizations. This can attract environmentally conscious consumers and business partners.
- Cost Savings in the Long Run: Ecolabelled products are often designed for resource efficiency and durability, leading to cost savings over their life cycle. Reduced energy consumption, longer product lifespans, and minimized waste disposal costs contribute to financial savings.
- **Risk Mitigation:** Procuring ecolabelled products can reduce the corporation's exposure to environmental and regulatory risks associated with non-compliant or harmful products.
- Meeting Stakeholder Expectations: Investors, customers, and employees increasingly expect corporations to adopt sustainable practices. Using ISO 14024 Ecolabels demonstrates a proactive approach to meeting these expectations.
- **Supply Chain Improvement:** Encouraging suppliers to provide ecolabelled products fosters a demand for more sustainable offerings, prompting suppliers to adopt greener practices throughout their supply chain.
- **Fostering Innovation:** ISO 14024 Ecolabels promote innovation in sustainable technologies and processes. By supporting such products, the corporation stimulates research and development in eco-friendly solutions.
- Access to Green Markets: Many governments and organizations prefer or require ecolabelled products in their procurement processes. By using ISO 14024 Ecolabels, the corporation gains access to these green markets, expanding its potential customer base.
- **Public Relations and Brand Image:** Incorporating ISO 14024 Ecolabels into procurement decisions allows the corporation to share its sustainability efforts with the public, reinforcing a positive brand image and creating a positive impact on customers.

By using Type 1 ISO 14024 Ecolabels to guide procurement, a corporation can foster a culture of sustainability, minimize environmental impacts, and contribute to a more sustainable future, all while gaining competitive advantages and positive brand recognition.

#### Take a look for another global case study.

EPEAT is a lifecycle-based Type 1 ecolabel that helps government agencies, the private sector, educational institutions, and other organizations find and procure technology products that meet rigorous sustainability criteria. EPEAT is owned and managed by the Global Electronics Council (GEC), a mission-driven non-profit that leverages the power of purchasers to create a world where only sustainable technology is bought and sold.

As an ecolabel originally established in 2006 to meet institutional purchaser needs in the United States, the reach of EPEAT has grown considerably—in 2022, over 70 organizations ranging from state and national governments to universities and hospitals, reported spending \$2.6B USD on EPEAT-registered products.

EPEAT is increasingly being specified by purchasers in a wide range of countries and organizations including the United States, Canada, Paraguay, Colombia, Brazil, Scotland, and a variety of European Union (EU) countries including Spain. In the United States as an example, the Federal Acquisition Regulation requires federal agencies to purchase EPEAT-registered electronic products —and in 2021 alone, the US Federal Government reported purchasing over 43 million EPEAT-registered products which resulted in estimated cost savings of almost \$2 billion USD.

Global Electronics Council has spent almost two decades helping purchasers procure more sustainable electronic products and to this end, has made a series of resources available to do so, including <u>sustainability impact overviews</u>, <u>State of Sustainability Research</u>, <u>purchaser guides</u>, <u>training</u>, and <u>sample contract</u> <u>language</u>. Perhaps more importantly, purchasers can search the publicly available <u>EPEAT Registry</u> to find EPEAT-registered products that meet their needs across a variety of product categories, including computers and displays, imaging equipment, mobile phones, network equipment, photovoltaic modules and inverters, servers, and televisions. To learn more about how purchasers are using EPEAT to accelerate sustainable procurement, Global Electronics Council has published a series of EPEAT procurement case studies, which are available <u>here</u>.

EPEAT-registered products address social and environmental impacts throughout the product lifecycle, and with robust requirements for third-party verification in place, purchasers can trust that EPEAT-registered products provide real environmental and social benefits. In fact, GEC makes Benefits Calculators freely available to enable organizations to measure and quantify the financial and environmental benefits associated with their EPEAT purchases. This allows purchasers to understand the impact of their EPEAT-related purchases in terms of energy savings, greenhouse gas emission reductions, water consumption, cost savings, and more.

GEC recently published Climate Criteria which will help purchasers identify electronics with lower climate impacts. Released in May 2023, the Climate Criteria establish requirements that reduce greenhouse gas emissions, including contributing to the complex issue of supply chaindecarbonization and Scope 3 emission reductions. This is a key step in accelerating the power of the purchasing community to have a fundamental impact on global climate change.

In conclusion, using ecolabels to guide procurement allows governments and businesses to prioritise sustainability, protect the environment, and lead by example. It leverages purchasing power to drive positive change in the market, encouraging businesses to adopt greener practices and offer more sustainable products and services.

### CAN I SAVE MONEY AS WELL AS THE PLANET? YES YOU CAN!

Ecolabels based on ISO 14024 can save on lifecycle costs through their focus on sustainable and environmentally responsible products and services. The ISO 14024 standard encourages ecolabelling programs to consider the entire life cycle of a product or service, from raw material extraction to disposal. This life cycle approach allows public procurers to make more informed decisions, taking into account the long-term environmental and economic impacts of their purchases. Most evidence shows that meeting the certification process is less than 3% of the product cost for the manufacturer.

Talk to your suppliers today to find out how much are their ecolabelled product range. You may find that some ecolabelled products cost about 11% more up front that products that do damage to the environment, but this is looking at economic cost from only a short-term return on investment. If you factor in the cost of not doing the right things across the supply chain, ecolabels are a cost-effective solution and the savings are well beyond the initial investment.



#### Ecolabels save money through

Longer product life span

Tax incentives



Corporate brand and reputation

Water savings

Health & safety

Here's how ecolabels based on ISO 14024 can lead to cost savings over the product's life cycle:

- **Energy Efficiency:** Ecolabels often prioritize energy-efficient products. Energyefficient products typically consume less energy during use, leading to reduced utility bills and operational costs over the product's lifetime.
- **Resource Conservation:** Ecolabels promote products made from sustainable materials and designed for resource conservation. Such products are often more durable and have a longer lifespan, reducing the frequency of replacements and associated costs.
- **Reduced Waste:** Ecolabelled products are often designed to minimize waste generation and facilitate recycling or reuse. This reduces waste disposal costs and can even create opportunities for revenue generation through recycling programs.
- Lower Maintenance and Repair Costs: Products awarded ecolabels are typically designed with a focus on durability and quality. As a result, they may require less frequent maintenance and have fewer repair issues, saving on maintenance and repair expenses.
- Health and Safety Benefits: Some ecolabels consider health and safety aspects of products, ensuring they do not contain harmful substances. Using such products in public procurement can reduce health-related costs and liabilities associated with exposure to hazardous materials.
- Water Conservation: Ecolabels may prioritize water-efficient products, leading to reduced water consumption and lower water bills in the case of water-intensive products.
- Longer Product Lifespan: Ecolabelled products often undergo rigorous testing to ensure they meet durability and performance requirements. Choosing products with longer lifespans reduces the need for frequent replacements and, subsequently, lowers procurement and disposal costs.
- **Financial Incentives and Rebates**: In some cases, governments and utilities offer financial incentives or rebates for the purchase of ecolabelled products, further reducing the initial purchase cost.
- **Certification Process:** While obtaining an ecolabel may require upfront costs for businesses, the long-term benefits of being ecolabelled, including increased sales and access to environmentally conscious markets, can offset these costs.
- Corporate Image and Brand Reputation: Businesses that offer ecolabelled products may enjoy a positive reputation among environmentally conscious consumers. This can lead to increased customer loyalty and market share, contributing to overall financial sustainability.

Incorporating credible, lifecycle based, Type 1 ecolabels into procurement processes enables purchasers to consider the long-term costs and benefits of their purchasing decisions. By choosing products and services with lower lifecycle costs, purchasers can contribute to cost savings, environmental protection, and sustainability in the long run.

When considering public procurement, the economics of spending public funds and its associated impacts, governance and ethical considerations are critical.

## **DID YOU KNOW?**

In New Zealand alone, buying ecolabelled toilet paper saves 21,000 tonnes of CO2 emissions annually.

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### FIGHT THE GOOD FIGHT AGAINST GREENWASHING - SINGLE ISSUE CAN BE AN ISSUE

There are many labels out on the marketplace, but many are either self-declared claims or just tend to one issue across the supply chain.

Great care needs to be taken to make sure that it is a relevant criterion for the product and the potential harm that it creates.

Otherwise, it can be a form of greenwashing.

#### **Examples of Greenwashing**

- As carbon claim on a carpet is not the most significant aspect. The most material impacts of carpets are chemical impacts on the environment and human health because of volatile organic compounds.
- Counting embodied carbon for a clothes tumble dryer is not as significant as the amount of energy that the dryer uses through its use over its lifetime.
- Packaging is often used to market an environmentally preferred product but this is often a minimal impact of the total product manufacturing.

Take a look at the guidelines to make sure you are not greenwashing! <u>UNEP guidelines.</u>

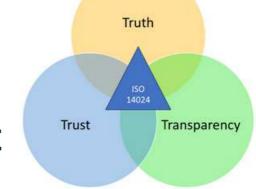
But I already have a carbon-neutral label- isn't that enough? Carbon may not be the biggest impact of your product. It is easy with ecolabelling- we do the hard work for you All you need to do is use ISO 14024 ecolabels

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By stipulating the requirement of an ecolabel in their procurement processes, procurers can delegate the responsibility of verifying compliance with standards to the issuing entity. Consequently, this mitigates the need for procurers to individually assess the product/service's adherence to environmental requirements. Secondly, the benefits derived from ecolabelling extend throughout the entire product life cycle, spanning from manufacturing to recycling. Ecolabelled products exhibit reduced environmental impact compared to their counterparts - **Nordic Swan** 

### TRUST AND TRANSPARENCY - HOW DO I KNOW WHICH ECOLABELS ARE TRUE ECOLABELS AND WHO TO TRUST?

Ecolabels are voluntary and third party so they are removed from benefiting from the certification decision. They are not the manufacturer and are an independent body.



## BUT HOW DO I FIND A TRUE AND TRUSTED ECOLABEL?

It is great that using ecolabels is easy to buy better, but how do I know which ones are ISO 14024 and look at the whole life cycle? The good news is that GEN does the work for you.

GEN is the leading global expert for true ecolabels

## WHO IS THE GLOBAL ECOLABELLING NETWORK AND HOW DO THEY SUPPORT BETTER PUBLIC PROCUREMENT?



The Global Ecolabelling Network (GEN) is a non-profit association of ecolabelling organizations from around the world.

We make it easy with ecolabelling and help you to fight the good fight against greenwashing.

GEN was established in 1994 and serves as a global network to promote and support credible ecolabelling practices. The main objective of GEN is to improve, promote, and develop ecolabelling as a tool for encouraging sustainable consumption and production.

#### GEN plays a crucial role in supporting better public procurement through the following ways:

- Setting Standards and Criteria: GEN facilitates the development of internationally recognized ecolabelling standards and criteria. These standards help define what environmental and sustainability attributes a product or service must meet to receive the ecolabel. When incorporated into public procurement policies, these criteria guide government agencies in selecting products and services with lower environmental impacts.
- Certification Assurance: GEN ensures that ecolabels associated with its member organizations maintain a high level of credibility and transparency. They establish procedures to verify that the products and services awarded to the ecolabel comply with the defined standards. This gives confidence to public procurers that the ecolabelled products meet established environmental and sustainability requirements.
- Information and Awareness: GEN works to raise awareness and understanding of ecolabelling among various stakeholders, including governments, businesses, and consumers. By providing information on ecolabels and their significance, they enable public procurement officers to make informed decisions when selecting products and services for government use.
- **Capacity Building:** The network engages in capacity-building activities for ecolabelling organizations and relevant government bodies. This helps strengthen the competence of ecolabelling schemes, making them more effective tools for guiding public procurement towards more sustainable choices.
- Advocacy and Collaboration: GEN advocates for the recognition and use of ecolabels in public procurement policies and regulations at the national and international levels. They collaborate with governments and other stakeholders to promote the integration of credible ecolabels into sustainable public procurement strategies.
- International Cooperation: As a global network, GEN facilitates cooperation and knowledge exchange among ecolabelling organizations worldwide. This fosters the harmonization of ecolabelling criteria and approaches, enabling better alignment with global sustainability goals.

By supporting the development and recognition of ecolabels, GEN- the Global Ecolabelling Network encourages and assists governments in leveraging these labels to improve their public procurement practices. Through their efforts, GEN contributes to the broader goal of achieving more sustainable consumption and production patterns worldwide.

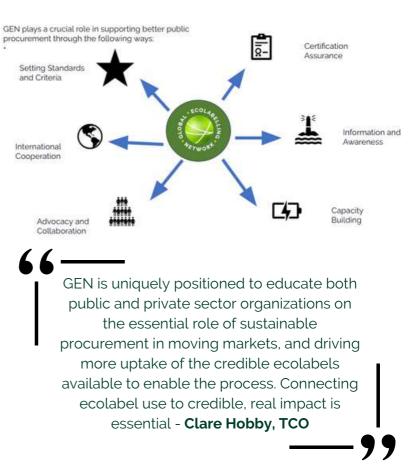
For the most current information about GEN and its activities, please refer to their official website or other up-to-date sources.

By using a GEN member ecolabel, you know you have simple, sustainable and impactful solutions.

#### GEN as leading credibility global expert for true ecolabels

GEN is uniquely positioned to educate both public and private sector organizations on the essential role of sustainable procurement in moving markets, and driving more uptake of the credible ecolabels available to enable the process. We have members across the globe helping you go from good to great. <u>Find them here.</u>

We could not celebrate every member in one document- there are too many stories of success, so please <u>reach out to find out</u> <u>more.</u>



#### This is great but how do I use ISO 14024 ecolabels as part of your procurement solution?

Using an ecolabel to guide procurement involves incorporating the ecolabel criteria into the procurement process.

#### Here's a step-by-step guide on how to use an ecolabel to guide procurement:

- Identify Relevant Ecolabels: Research and identify credible ecolabels that align with your organization's sustainability goals and the specific product or service categories you wish to procure. Look for ecolabels based on standards like ISO 14024, as they ensure credibility and transparency in their criteria. The easiest way is to <u>visit the GEN website</u> and find certified products within your region.
- Include Ecolabels in Procurement Policies: Integrate the selected ecolabels into your organization's procurement policies and guidelines. Communicate to procurement officers that products or services bearing these ecolabels are preferred choices, provided they meet the required specifications and performance criteria.
- Incorporate Ecolabels in Bid Specifications: When preparing bid specifications, include references to the specific ecolabel criteria that vendors must meet to be considered. Clearly state that products or services without the ecolabel or not meeting its criteria will not be considered for procurement.
- **Request Ecolabel Information in Bids**: Include a requirement for vendors to provide information on the ecolabels their products or services hold, if applicable. Ask for evidence of ecolabel certifications, such as certificates or verification reports, as part of the bid submission. If they are not yet available, you can still specify and give them an agreed time to transition.
- **Evaluate Ecolabel Compliance:** During the evaluation process, assess whether the products or services offered by vendors meet the ecolabel criteria specified in the bid. Consider the ecolabel as one of the evaluation criteria alongside other relevant factors like price, quality, and delivery terms.

- Verify Ecolabel Claims: For significant procurement contracts, consider conducting a verification process to ensure that the ecolabel claims made by vendors are legitimate. This may involve seeking independent confirmation from accredited certification bodies or ecolabelling organizations. The easiest way to verify their status is to go to <u>our</u> website and make sure they are a true and trusted ecolabel.
- **Communicate the Importance of Ecolabels**: Educate procurement officers, stakeholders, and suppliers about the significance of the selected ecolabels and their alignment with the organization's sustainability objectives. Foster awareness and understanding of the benefits of choosing ecolabelled products and services.
- Monitor and Report on Ecolabel Procurement: Regularly track and report on the proportion of procurement that aligns with ecolabel criteria. Measure the environmental benefits and cost savings achieved through ecolabel-guided procurement and use this data to improve future procurement decisions.
- **Encourage Supplier Engagement**: Encourage suppliers to obtain ecolabel certifications for their products or services by informing them about the organization's preference for ecolabelled offerings. Signalling your commitment will move markets. Collaboration with suppliers can promote the availability of sustainable options in the market.
- **Periodically Review Ecolabel Selection:** As sustainability goals and market conditions evolve, periodically review the ecolabels being used to guide procurement. Ensure that the selected ecolabels remain relevant and aligned with the organization's objectives.

\*Please note that several countries do not allow specification of an actual ecolabel. If this is the case, countries can specify particular technical requirements that meet the best practice of ecolabels such as GEN

By integrating ecolabels into your procurement process, you can leverage your organization's purchasing power to support environmentally responsible products and services. This contributes to your sustainability goals while encouraging businesses, governments, and consumers to adopt more sustainable practices.

Progress is already being made in the realm of sustainability. There is a lot of talk about sustainability, and many private operators are already doing a significant effort to promote the sustainability of procurement. There is a growing need to harmonize these efforts for both private and public sectors and establish consistent practices in order to drive greater collective impact and ensure widespread adherence to sustainable procurement principles - Nordic Swan

This is why GEN actively promotes and supports mutual recognition within its members. This way we are moving towards a sustainable, global supply chain solution.

"ICLEI's experience with local governments show that ecolabels hold an important role in driving sustainability in public procurement. They can help purchasers identify sustainable products or services. Labels can also play an important role in developing technical specifications and award criteria, and in verifying compliance" - Mara Inzaina, Officer, Sustainable, Innovation and Circular Procurement -Sustainable Economy and Procurement at ICLEI - Procura+ Community Support (www.procuraplus.org)

## DID YOU KNOW? 2,750 tons of work clothes undergo washing annually. In Denmark, the use of using Nordic Swan Ecolabel laundries can reduce carbon dioxide emissions by up to 480 tons.

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#### **EXAMPLES OF BEST PRACTICES**

Don't just trust us to know that ecolabelling is an easy solution for powerful procurement. See below for some of our success stories!

With the implementation of the past 17 years, the government procurement of environmental labelling products has become an important measure for promoting sustainable development and green economic development.

The China Environmental United Certification Center has enabled the amount of ecolabelled products to increase from 856 to 1 million now with 14 categories of products in the beginning to more than 100 categories now. The categories of government procurement of environmental labelling products include office equipment (computer, printer, scanner, projector, multifunctional machine and so on), office consumables (toner cartridges etc.), vehicles, building materials (water-based coatings, water-proof coatings, cement, concrete, etc.), furniture, textiles, plastic pipes, copy paper and so on.

The number of enterprises participating in government procurement has gone up from 81 to more than 4000 over the past 17 years. In 2021, government procurement of environmental labelling products reached 89.98billion RMB, accounting for 85.2% of similar product procurement. By evaluating GPP performance during 2016-2021, GPP played a positive role for pollution reduction, such as VOC emission reduction 14.9×104 ton for office furniture procurement, and CO2 emission reduction 171.9×104 ton for computers procurement of computers.

#### **Green Printing Case in China**

The former National Press and Publication Administration and Ministry of Environmental Protection signed the Strategic Cooperation Agreement on Implementation of Green Printing in 2010 to greatly promote green printing with environmental labelling.



Green printing has expanded from printing to editing, printing and distribution over the past few years. VOCs treatment has evolved from "end-of-pipe treatment" to "source reduction and process control", and green printing gradually has become a conscious action of the whole industry.

Up to now, more than 1200 printing enterprises have obtained environmental labelling certification. With increasing market scale, green printing has expanded from the textbooks of primary and middle, green printing also enjoys rapid development for children's books. Green printing with environmental ecolabels has been continuously driving the transformation of the printing industry and facilitating energy saving and emission reduction with good economic and social benefits.

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#### South Korea - KEITI

The Korean ecolabel is a certification system enforced by the Ministry of Environment and KEITI (Korea Environmental Industry & Technology Institute). Since its foundation in 1992, the system has granted certifications to a wide range of eco-friendly products,

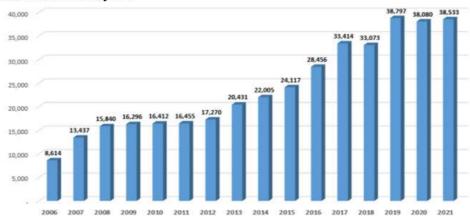


which are excellent in not only environmental properties, but also in products' quality during their life cycle. For 30 years they have launched about 160 criteria covering construction materials, office equipment, furniture, personal and household goods, etc. Each standard covers verification in environmental and quality properties, such as reduction of the use of harmful substances, energy saving, resource saving, carbon neutrality, resource circulation, etc. As of June 2023, 19,689 products (in 5,057 companies) have been certified .

In Korea, "green products" are legally defined as products that minimize the input of energy, resources, greenhouse gasses , and pollutants (Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis). Green products are specified in the Act on the Promotion of Purchase of Green Products. Ecolabel products are classified as part of this.

The same law stipulates the obligations of public institutions to purchase green products. According to this Law, when public institutions intend to purchase a product, they should l purchase green products. As of 2022, 1,176 national agencies and 30,000 sub-public authorities are required to mandatory purchase green products.

Based on the Green Product Act, the purchase amounts by GPP have continued to grow, which can be confirmed by statistical data. According to Figure 1, purchase amounts by GPP increased by 4.5 times from 861.4 billion won in 2006 to 3.8 trillion won in 2021. This value is the sum of the purchase amounts by GPP under 3 certification systems. Among them, the ratio of purchase amounts from ecolabel certified products is about 81% and accounts for about 3.1 trillion won as of 2021. Therefore, it can be seen the mandatory GPP system has eased the initial barriers for entering the market for ecolabel products and contributed to the activation of certification. In addition, according to Figure 2, it can be confirmed that the number of ecolabel certifications has increased during the same period and is growing to the present day. Through these data, it can be specified that the number of ecolabel certification systems by GPP has grown together, forming a mutually helpful relationship.







#### Nordic Ecolabelling



Nordic Ecolabelling show that the number of buildings certified with the Nordic Swan Ecolabel has increased by 89 % in just two years.

Around 66,000 Nordic Swan certified apartments, small houses and buildings for schools and pre-schools are now completed or under construction.

#### Denmark

It has been calculated that in 92 Danish municipalities, a total of 2,750 tons of work clothes undergoes washing annually. Consequently, the adoption of The Nordic Swan Ecolabel laundries could lead to a reduction of carbon dioxide emissions by up to 480 tons. In essence, opting for The Nordic Swan Ecolabel laundromat over a conventional laundromat would result in a notable 27 percent decrease in emissions associated with washing work clothes. This calculation is based on a life cycle assessment that exclusively considers carbon dioxide emissions. It is important to note that The Nordic Swan Ecolabel encompasses various other significant climate and environmental requirements, which have not been factored into this calculation. By incorporating ecolabels in their procurement decisions, purchasers can achieve positive climate impacts. Furthermore, the greater the number of companies and public purchasers that choose The Nordic Swan Ecolabel e.g. laundry for washing work clothes, the more substantial the climate benefits obtained

<u>Find out more through our GEN Magazine – special edition on Sustainable Public</u> <u>Procurement to hear more about leading ecolabels paving the way to a better future.</u>

Find out more about GEN member ecolabels doing better together. Congratulations to Singaporean and Australian governments! Governments can drive sustainable supply chains through connecting regionally and across the globe. We know that purchasers need a simple solution. <u>https://www.dfat.gov.au/geo/singapore/singapore-australia-green-economy-</u> <u>agreement/singapore-australia-green-economy-agreement-propelling-our-sustainable-</u> <u>future</u>

https://www.gea.gov.sg/sagea/

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#### **NEXT STEPS**

#### What can I do day today to make a difference?

Take a look at this video - <u>Look closer</u> <u>video.</u> Find an ecolabelling certified product on the <u>GEN network</u> Identify Relevant ISO 14024 Ecolabels: The easiest way is to visit the GEN website and find certified products within your region. www.globalecolabelling.net

Include Ecolabels in Procurement Policies Incorporate Ecolabels in Bid Specifications When preparing bid specifications, include references to the specific ecolabel criteria that vendors must meet to be considered.

Request Ecolabel Information in Bids Include a requirement for vendors to provide information on the ecolabels their products or services hold. Ask for evidence of ecolabel certifications, such as certificates or verification reports.

Evaluate Ecolabel Compliance Verify Ecolabel Claims

<u>Download the ecolabel guide</u> - available as an app on apple and android I would like to know more - recommended reading

Our GEN website has lots of webinars and tool kits-take a look here.

### WHAT CAN I DO TOMORROW AND LONGER TERM FOR PEOPLE AND PLANET?

- Train your team to know more about ecolabels and sustainable procurement solutions.
- Utilize the <u>ecolabelling training</u> that was developed with GEN and UN Environment Programme and is free to use.
- Design and publish your SDG strategy
- Choose your three biggest spend products
- Set your procurement goals
- Talk to your suppliers and your nearest GEN member
- Become a GEN Affiliate member
- Specify your sustainability requirements using a GEN ecolabelled standards
- If you can't find a GEN member with the standard you need? Reach out to GEN at <a href="mailto:secretaratiat@globalecolabelling.net">secretaratiat@globalecolabelling.net</a>

#### FURTHER READING

- Barriers analysis report.
- The IGPN 2020 study report on <u>GREEN PURCHASING NETWORK-A Landscape of Practice to</u> <u>Achieve SCP summarized the challenges of implementing green procurement practices by</u> <u>reviewing the cases of IGPN members.</u>

#### **STILL WANT TO KNOW MORE?**

Reach out to the GEN website.

There are lots of tools to help you buy better.

#### **GEN FULL MEMBERS**

Country/ Region	Program Name	Logo
Australia	GECA	GECA
Brazil	ABNT Ecolabel Hummingbird	OULINO THE MENT
China	China Environmental Labelling	
China	China Environmental Friendly Certification	
Chinese Taipei	Green Mark Program	Ø
European Union	EU Ecolabel	Ecolabel
Germany	Green Product Mark	TÜVRihaitland CENTIFICO
Germany	The Blue Angel Ecolabel	
Hong Kong	Hong Kong Green Label Scheme	the seal of the se
India	GreePro	Brentere
Indonesia	Indonesian Ecolabel	Ramah Lingkungan
Israel	Israeli Green Label	THE THE AREA STITUTION FOR
Japan	Eco Mark Program	
Kazakhstan	Ecolabelling	ORO
Korea	Korean Ecolabel Program	Korea Eco-Label
Malaysia	SIRIM Ecolabelling Scheme	
Netherlands	Milieukeur	

#### **GEN FULL MEMBERS**

Country/ Region	Program Name	Logo
Netherlands	On the Way to PlanetProof	PLANET
New Zealand	Eco Choice Aotearoa	Eco Choice Aotearoa
Nordic Countries	Nordic Swan Ecolabel	
North America	Ecologo	CONCEPTION OF THE PARTY OF THE
North America	EPEAT	- AREA
Philippines	Green Choice Philippines	
Russia	Vitality Leaf	STATE OF STATE
Singapore	Singapore Green Labelling Scheme	( Contraction of the second se
South Africa	Eco-Choice	eco
Sri Lanka	Ecolabel Sri Lanka	
Sweden	Good Environmental Choice	Bra Miljöval
Sweden	TCO Certified	
Thailand	Green Label Thailand	
Turkey	Turkish Environment Label	
Ukraine	Green Crane	La constante da
United States	Green Seal	SERVICE STATE

#### **GEN ASSOCIATE MEMBERS**

Country/ Region	Program Name	Logo
Colombia	Sello Ambiental Colombiano	RULE AND THE LAND
Indonesia	Green Label Indonesia	and the set
South Africa	EcoASA	ecoASA
Spain (Catalonia)	Environmental Quality Guarantee Award	
Vietnam	Vietnam Green Label	

#### **GEN AFFILIATE MEMBERS**

Country/ Region	Program Name	Logo
Japan	International Green Purchasing Network	<b>K</b>
Morocco	Arganeraie Biosphere Reserve Ecolabel	
North America	The ISEAL Alliance	🔵 iseal
United States	Google Inc	G
United States	Sustainable Purchasing Leadership Council	SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

We would like to acknowledge and thank the working group 2 on Ecolabelling of the Consumer Information Programme of the One Planet network for their contribution in the brochure.



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## JOIN THE GLOBAL ECOLABELLING NETWORK BY BECOMING A GEN AFFILIATE MEMBER!

Affiliate members are our supporting and partner organisations. GEN provides knowledge and information sharing with our Affiliate members in order to support their own sustainability change making.

GEN supports affiliate organizations to gather regional insights regarding ecolabelling and green procurement from experts from around the globe and provides a strong platform for collaboration for engaging in activities of mutual benefit. <u>To learn, click here.</u>

## GLOBAL ECOLABELLING NETWORK CONTACT

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https://globalecolabelling.net/

**EMAIL** 

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