



NATIONAL ROUND TABLE ON THE ENVIRONMENT AND THE ECONOMY
TABLE RONDE NATIONALE SUR L'ENVIRONNEMENT ET L'ÉCONOMIE

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Woodbridge & Associates

Business and Policy Development

**The Greening of Government:
Proposed Framework for a National Project**

NRT-1994012
Woodbridge & Associates
Roy Woodbridge

**A Report Prepared For
The National Round Table on the Environment and the Economy**

**By
Roy Woodbridge**

December, 1994

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Proposed Framework for a Project on The Greening of Government

Index

Page

2	i. Summary and Recommendations
6	A. Purpose
6	B. Consultations
6	C. Findings
6	1. The definition of “The Greening Of Government” - the greening of government operators - green products and the greening of the procurement process
8	2. The scope of the “Green” Market In Government
9	3. Current status of green procurement and government needs
11	4. Issues of concern to industry
11	5. Spreading the benefits of the project across the country
12	D. The Project Framework
12	1. The basic concept for the greening of government project
13	2. Awards and other options for a motivational evening
13	3. Competing initiatives
14	4. Description of project components
15	5. The potential size of the project
16	6. Location and timing

17	Annex 1 - Interview notes
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i. Summary and Recommendations

Discussions held with government and industry representatives on a national project on “The Greening of Government” led to widespread consensus on the elements, structure and need for such an initiative.

The desirable project framework would consist of the simultaneous implementation of

- a trade fair oriented to government decision-makers and buyers
- a training course aimed at increasing the awareness and skills of government procurement officers regarding “buying green”
- a government /industry conference to address the management challenges and market opportunities associated with “the greening of government”, and
- a motivational evening to recognize the contributions of individuals to the “going green” process (or an evening with Deputy Ministers).

The elements of the event are summarized in the project outline that follows.

Conclusions and Recommendations

1. The project is viable and should proceed.
2. The preferred time frame for implementation is during Environment Week (June 5-9). If this proves impractical because appropriate facilities are not available, the June 10 to 21 time slot should be considered.
3. It is recommended that NTREE target the end of January for completion of the following actions:
 - confirm availability of facilities during the preferred time slot
 - develop a marketing strategy (targets and channels) and pro forma marketing materials (themes and concepts)
 - develop a full implementation plan and budget, and
 - prepare and agree on a management plan and confirm the responsibilities of partner organizations.

Project Outline

1. The “Going Green” Trade Fair

Categories of Products and Services being Exhibited	Grouping of Exhibitors by Government Market segments			
	A. Green Buildings	B. Green Offices	C. Green Fleets +Equipment	D. Green Sites
1. Energy Efficiency				
2. Waste Management				
3. Pollution Control				
4. Green Products				
5. Products from Recycled Materials				

Attendees (Mainly Federal Government)

- Managers
- People who set specifications for procurement
- Procurement Officers
- Other (Provincial, Municipal, institutions, large companies)

2. The Training Component

“Buying Green”

A half day workshop for Government Procurement Officers to:

1. explain the new responsibilities of Procurement Officers for “Buying Green”
2. provide comprehensive information regarding life cycle costing
3. explain the implications of life cycle management for procurement, and
4. outline the skill sets required to evaluate environmental considerations during the procurement process

3. Outline of Conference Agenda

The Greening of Government

Plenary

<p>Management Challenges and Market Opportunities</p> <p>Keynote - Why and How Are Governments "Going Green" Keynote - The Private Sector Perspective (Themes: environmental priorities, international obligations, economic benefits, and industry development)</p>

Break-Out Groups

Themes (will vary somewhat by group)	Groups			
<p>1. Scoping the Market - The Greening of →</p> <p>A) Overview of market segments B) Priorities and expenditure forecasts (Federal, Provincial, Municipal and Institutions)</p>	A. Buildings	B. The Office	C. Fleets and Equipment	D. Sites
<p>2. The Case for the Greening of →</p> <p>A) The regulatory/policy framework B) The economics of going green C) Turning waste into Value-added products</p>	Buildings	The Office	Fleets and Equipment	Sites
<p>3. The Procurement Process - Current Practices re. the →</p> <p>Who sets the specifications; who does the buying; how are decisions made; implications of NAFTA; how does industry access the process?</p>	Greening of Buildings	Greening of the Office	Greening of Fleets and Equipment	Greening of Sites

Break-Out Groups (Continued)

Themes	Groups			
	A.	B.	C.	D.
<p>4. The Greening of Procurement related to the →</p> <p>A) Life Cycle Costing and Management</p> <ul style="list-style-type: none"> • Overview • the Environmental Choice Program <p>B) The Greening of codes, standards and procurement guidelines</p> <p>C) Integrating standards into the procurement process</p> <p>D) The Corporate Case for "Going Green" - Competitive advantage or added cost?</p>	Greening of Buildings	Greening of the Office	Greening of Fleets and Equipment	Greening of Sites
<p>5. Management Issues related to the Greening of →</p> <p>A) Accountability</p> <p>B) Making Life Cycle Management Concepts Operational</p> <p>C) The Role of the Individual</p>	Buildings	The Office	Fleets and Equipment	Sites
<p>6. Where Do We Go From Here re. the →</p> <p>Government/Industry Panel discussion</p>	Greening of Buildings	Greening of the Office	Greening of Fleets and Equipment	Greening of Sites

Plenary

Green Management - Shaping the Agenda

- A) Reports from the Working Groups
- B) DM's and Corporate CEO's Panel
- C) Final Remarks
- D) Adjournment

The Greening of Government Framework for A National Project

A. Purpose

This report summarizes the results of work undertaken by Woodbridge & Associates under a contract with the NTREE (Number K0050-4-0080).

The contract called for the evaluation and scoping of a major, national initiative to bring industry and government together to address the challenges and opportunities associated with green procurement in the public sector.

Specifically, the contract called for consultations with industry and government stakeholders to identify the scope of green procurement, current practices, case studies, issues, needs, expectations and opportunities and to summarize this information in the form of a framework for the "Greening of Government" project.

B. Consultations

Discussions were held in Ottawa with federal government procurement officers and managers (materials and real property) and managers of relevant government programs, with provincial government representatives from Ontario and Alberta, and with industry representatives in Edmonton, Toronto and Ottawa. (Summary notes are in Annex 1.)

C. Findings

A number of points emerged in the discussions that should be taken into account in the framing of the greening of government project as follows:

1. The Definition of "The Greening of Government"

It quickly became evident that different groups use the term "green procurement" to mean two different but interlinked things.

- the greening of government operations

The private sector tended to think of green procurement, or the "green" market, as being synonymous with the purchase of goods and services that help governments manage the totality of their operations in an environmentally responsible manner.

Discussions suggest the green market, defined in relation to the greening of operations, consists of four principal segments. These are described below along with an indication of the types of products and services involved.

These segments are important as they reflect different groupings of suppliers and correspond to different groups of procurement officers and technical specialists in government. Thus, organizing the Trade Show and the Conference around these market segments will facilitate dialogue between government decision-makers and the private sector.

1. The Greening of Buildings

- design, construction and demolition
- energy efficiency
- water conservation
- air pollution
- .waste management

2. the greening of offices

- environmental quality
- equipment, supplies and furniture
- waste reduction
 - recycling
 - packaging
 - I.T's
 - waste management systems
- . inventory management

3. the greening of fleets and equipment (land and marine)

- alternate fuels, oils and lubricants
- emission controls
- fuel economy
- . recycling and disposal
- . special purpose vehicles

4. the greening of sites

- .risk assessment
- . management
- . remediation
- . transport/storage/disposal
(hazardous materials)
- . spills and emergencies

- green products and the greening of the procurement process

Many government officials, tended to think of the green market in terms of the purchase of “green products” or the “the greening of procurement process”.

The key concepts here are life cycle costing of products for procurement purposes and the introduction of procurement preferences for products that are certified as “green”.

The certification of “green” products is based on an objective assessment of whether they were designed to be environmentally responsible throughout their full life cycle from manufacturing through packaging, transport, use, re-use and disposal. This, for example, is the basis on which products may carry the Ecologo certification under the Environmental Choice Program.

To derive the benefits of life cycle costing, products and facilities must be evaluated on this basis during procurement and then managed on a life cycle basis. Thus, the push to “buy green” has important management dimensions associated with it.

There was universal agreement that the greening of government project should address both the greening of government operations and the greening of procurement.

2. The Scope of the “Green” Market in Government.

a. market size (greening of operations)

With respect to the size of these market segments, there is, at present, no useful, aggregated source of data. Consequently, the task of scoping the market must resort to generalization as follows:

- governments are far and away the largest property owners and managers in the country. The federal government alone, owns over 50,000 buildings!
- regarding the “greening of the office”, governments are the largest employers in the country: together they employ over 500,000 people, most of whom work in offices!
- with respect to the “greening of fleets and equipment”, governments (e.g. DND, Transport, the RCMP and Provincial Police Forces, Agriculture, Public Works and Fisheries) are the largest fleet and equipment operators in the country, and

- when it comes to the environmentally responsible management of sites, governments have a far greater responsibility for managing major installations than any other group in the country: the federal government alone has identified over 1200 sites that are of immediate concern!

b. market size (green products)

Governments buy thousands of products daily. Total annual purchases are approximately \$70 billion. The federal government and its crown corporations account for approximately 35% of this total, the provinces and their agencies 42%, hospitals and universities 7% and local governments and their entities 18%.

At present, up to 1500 products in 15 product categories carry the EcoLogo. Plans call for expanding coverage to up to 75 product categories within two years. CSA and ISO standards are now being developed for office products and equipment. Other standards are being developed for buildings (e.g. B.C. is coming out with a standard for the life cycle management of buildings) and aspects of fleet management in Canada and internationally.

As this process continues, one estimate suggests that as much as 80% of all government purchases could be subject to this greening process, including many of the products purchased by governments to help in the greening of their operations.

3. Current Status of Green Procurement and Government Needs

From the government perspective, the main issues related to "going green" that were identified in the discussions include the following:

- accountability

This is, perhaps, the most pervasive and difficult problem in the government context, largely because of

- the highly decentralized nature of government procurement and
- the pervasive division of responsibility for different aspects of the procurement process and the management of goods and assets. This is particularly troublesome in the context of life cycle costing and management considerations.

Substantive separations of management functions and accountability occur in the following areas:

- setting standards and procurement
- procurement and the management/maintenance of equipment
- ownership and management

- custodianship and tenancy, and
- the management of assets and their disposal.

- communications

This is a problem because of the decentralized nature of procurement and the uncertainty surrounding the definition of green products and employee responsibilities..

- guidelines/instructions re. “going green” and management systems

Procurement guidelines for taking environmental considerations into account do exist but they are poorly understood and applied. In the absence of forceful and directed change, the inertia within the system tends to stifle initiative.

There is a need for senior level management commitment, appropriate systems to encourage environmentally responsible management and procurement and employee incentives.

- training/awareness

Few people in the procurement stream appear to know what “buying green” means or how to do it.

The key themes with respect to training for procurement officers that arose during the discussions were

- awareness building related to the emerging responsibilities of procurement officers for “buying green”
- the need for a better understanding of the overall concept of life cycle costing and its application
- the development of the skill sets required to evaluate environmental considerations during the procurement process, and
- an understanding of how to handle the task of managing products and facilities on a life cycle basis.

- the business case or “why go green?”

There is a broadly held view that “green” is more expensive. Thus there is a need for case studies, the sharing of experience or models that illustrate the case for “going green”.

4. Issues Of Concern To Industry

The main issues of concern to the industry are

- scoping of the market

Companies want hard information on the government market. Specifically, they want to know the problems governments are trying to solve and information on what they buy.

- the procurement process

Industry wants hard information on the procurement process. They want

- contact with decision-makers and buyers, and
- better information regarding the way they become qualified bidders for government contracts.

- participation in the project

With respect to both the procurement process and the definition of the market, companies want broad participation from all levels of government related organizations (i.e. include the provinces, municipalities and institutions).

- policy issues and dialogue

There is a keen interest in exchanging views with governments regarding policies/regulations and different aspects of the case for going green. Key issues include the role of regulations and procurement in developing the industry, life cycle costing and the Environmental Choice Program.

- the sharing of experience

There is a general belief that the experience of the private sector in coming to grips with environmental regulations can be of help to governments in their efforts to now "go green"

5. Spreading the Word/Using the Results

It was generally recognized that it would be impractical to roll this event across the country: in the case of the trade show, it would also be prohibitively expensive.

Nevertheless, a number of people expressed concern that, because of growing decentralization of the procurement activity, an Ottawa event would miss a large part of the target audience.

Consequently, suggestions were advanced for ways in which the benefits of the event might be spread more widely across the country. These included

- . satellite transmission of the event
- . the use of videos, putting the event on CD Rom
- . condensing relevant portions of the event into shorter, training modules that targeted specific groups (e.g. a half day training program for procurement officers or a course for the private sector on the green market and doing business with governments)
- . extracting from the event to produce status reports on particular themes (e.g. status of the "Greening of the office"), and
- . using the Trade Show Guide as a reference manual for procurement officers on suppliers to the government "green" market.

D. The Project Framework

1. The Basic Concept for the Greening of Government Project

A strong consensus emerged on the following three project components:

"The Greening of Government"

The "Going Green" Technology Fair

A showcase of environmental technologies and services available to meet government procurement requirements

"Buying Green"

A half day workshop for government procurement officers to:

1. Explain the new responsibilities of Procurement Officers for "Buying Green".
2. Provide comprehensive information regarding life cycle costing.
3. Explain the implications of life cycle management for procurement
4. Outline the skill sets required to evaluate environmental considerations during the procurement process.

Green of Government:

The Forum on Management Challenges and Market Opportunities

A government/industry conference featuring:

- presentations on procurement trends/requirements
- public/private sector "Going Green" case studies
- technology and management issues and solutions
- legislative initiatives

There was universal agreement (i.e. confirmed in every discussion!) that the notion of the government and private sectors cooperating in the design and implementation of a combined national conference and trade show targeting the government green market was an appropriate initiative to tackle issues associated with the greening of government.

It was felt that the event should

- define the management challenges facing governments and identify practical solutions
- outline the market opportunities for industry and the way companies can become more actively involved in helping governments find and implement solutions, and
- encourage government/industry partnerships, lead to widespread information exchange and motivate change.

2. Awards and other options for a motivational evening”

There was general agreement that awards can be a useful incentive for encouraging change and that recognition of achievement was warranted. A number of ideas were advanced with respect to the kind of awards that might be appropriate. These included

- . innovative products
- . leadership in bringing about change
- . management innovation
- . program initiatives
- . cost savings through buying green

However, it was also pointed out that there are already a number of environmental awards given out each year and that selection criteria can be awkward.

As the intent of the awards is motivational, it was suggested that other approaches may accomplish the same result if they demonstrated a strong government commitment to going green (e.g. “An Evening With the Deputy Ministers”)

On balance, a gala evening should be included as part of the project. However, the type of event must still be determined.

3. Competing Initiatives

There do not appear to be any national or regional events that are in conflict with the Greening of Government project.

A number of initiatives address specific aspects of the process of “going green” but none approach the task in such a comprehensive and targeted manner.

The closest are an annual Ontario conference on the green office and the set of activities undertaken by the Federal Buildings Initiative which targets energy efficiency. Other conferences focus on technical issues (e.g. the annual Waste Management Conference now organized by CEIA) or particular themes (e.g. a one day conference scheduled for March on “The Business Case For Going Green”). There is also an annual Material Managers Conference scheduled for early May.

However, no one involved in the consultations suggested there was any substantive overlap between these initiatives and the proposed greening of government project.

4. Description of Project Components

The elements of the event are described below.

a. The Trade Fair

The Trade Fair would be organized around the four major segments of the government market (i.e. separate floor areas for each grouping).

Participation in the Fair would be invited from suppliers of products and services that address either the government requirement to manage its operations in an environmentally responsible manner, that are certified as “green” or that are manufactured from recycled materials.

b. The Training Program

This would be a half day program, run at nominal cost to participants. It would be organized under a sub contract to a qualified organization (e.g. Purchasing Managers Association, the Canadian Centre For Management Development or a private company). It would address the following themes

- awareness building related to the emerging responsibilities of procurement officers for “buying green”
- the need for a better understanding of the overall concept of life cycle costing and its application
- the development of the skill sets required to evaluate environmental considerations during the procurement process, and
- an understanding of how to handle the task of managing products and facilities on a life cycle basis.

c. The Conference and Gala Evening

The Conference would integrate government and industry interests by focusing on management challenges and market opportunities.

Discussion would be streamed as much as possible to deal with “going green” themes as they apply to each of the four major market segments.

The Gala Evening will be scheduled as part of the Conference. This will be either an awards evening to recognize the contributions of individuals to the greening of government or an evening with Deputy Ministers.

A generic outline of the Conference Agenda and themes to be covered is provided in the summary on pages 4 and 5.

5. The Potential Size of The Project

It is very difficult to scope the potential size of an event like this. However, for planning purposes, the following parameters might be used.

a. the Trade Fair

Given the fact that there are four market segments being addressed in the Fair, and assuming somewhere between 30 and 50 exhibitors per segment, the Fair might consist of between 120 and 200 booths.

- assume 160 booths

With respect to attendance, there used to be, apparently, as many as 17,000 federal public servants involved in materials management activities (i.e. the procurement of goods and services). This number is probably tracking towards 12-14,000. Up to half may be located in Ottawa.

In addition, a further 7,000 public servants are involved in real property management (buildings and lands) with around a third located in Ottawa.

The number of other people who might have an interest in the Fair is hard to evaluate.

The final number of government officers attending will be strongly influenced by management support for the project!

- assume between 3 and 4,000 visitors to the Fair

b. the Training Program

Given the general nature of the proposed program, it should have broad appeal. As well, it may lend itself to classroom style presentations with questions at the end as opposed to a highly interactive workshop. Thus large groups can be accommodated in each half day session.

- assume four sessions of 300, for a total of 1,200

c. the Conference

A target of 100 to 150 per theme area should be possible. Thus, a planning target for the Conference in the 4 to 600 range is reasonable.

- assume 500 (more for the gala evening)

6. Location and Timing

There was broad consensus that the event should be held in Ottawa. In fact, no other site was proposed.

With respect to timing, however, there were definitely two schools of thought.

A strong case was made for fast tracking the initiative by scheduling it during Environment Week ((June 5-10). In simple terms, the argument seemed to be that it would be easier to build and then to hold momentum for the event if it is held sooner rather than later. A June date would also fit better with political priorities, it is at the beginning of the government fiscal year and there could be synergy between the event and other activities scheduled for the Environment Week.

A major constraint on this option is the likelihood that no suitable facilities will be available in Ottawa during this period! In this case, the June 10-21 time frame should be considered

The other option is the Fall. This option was preferred by a number of the industry representatives, largely on the grounds that trade show budgets have already been allocated for next year.

Overall, the preferred option would appear to be early to mid June in Ottawa. However, if this option is pursued, it is essential that preliminary information materials be in the hands of prospective exhibitors at the beginning of February!

Interview notes

Treasury Board

Eco Logo products - what is an environmentally friendly product? What are the standards/criteria
 - how much time/effort/\$ to invest in researching products before you buy

CSA - developing a standard for office furniture/rugs etc. (does it apply to the manufacturing process?)

Buildings - landlord is Public Works - not a departmental responsibility and they don't reap benefit from cost savings
 - facilities management is not the same as procurement (how does the private sector manage this?) - note Fed. Buildings Initiative)

same with procurement - budgets in departments but procurement spun out to DSS who have no budget or admin. responsibility for these issues

Role of individual - Stats Can wrote environ. responsibility clause into job descriptions of procurement officers (with what effect?)

Awards - innovative products/leadership in changing the system/management innovation

Materials Management Institute - annual meeting, May 3-4 (Ottawa Congress Centre) 500 attendees, 23-30% from outside Ottawa -- Jim Lowe is organizing

Numbers - Materials Management - used to be 17,000, tracking to 12-14,000 (half in military)
 - Real Property Management - 7,000 (5,000 in Public Works) - one third in Ottawa

Problem - most just buy as per specs set by departments - thus hard to attract them!
 NB Need to attract departmental types that set procurement requirements/specs

How to make the event relevant to the way these people do their business (need to give them practical information - emphasize case studies, economic benefits)

Provinces/ municipalities -YES International -?

Key Departments - Nat. Resources/AgCan/CMHC

Get Treasury Board Guidelines

Transport Canada

Departmental priorities

1. Management of Major Facilities (e.g. airports, ports, service centres - note privatization of airports) - Spills/containment/bioremediation/training in environmental assessment and risk analysis
2. Buildings management (water etc.)
3. Alternative fuels - propane, ethanol - fuel and fleet management (environmentally friendly autos)
4. Hazardous waste transport/removal/storage - emergency response (specialized equipment)
5. Green procurement - Env. Choice purchases - Ecologo switching from consumer products to govt. but, buy 2000 products, only 200? covered by Ecologo, so lots of pressure to expand if standards are to be taken seriously
6. Packaging
7. Inventory and warehouse management - role of IT (forms storage - electronic conversion from hard copy)

Issues

- Life cycle management - include. disposal (e.g. batteries/tires)
- making environmental management accountable
- what is an environmental management framework? (Transport working on this)
- the business case for choosing the environmentally responsible path
 - . can problems be avoided by going green?
- how can the individual make a difference? (human success stories/champions)
 - . how to institutionalize environmental consciousness
 - . training
 - . incorporate environmental planning into overall ops -what is at risk?
 - . tie to career progression (e.g. what have you done for TQM and/or environ. management.)

Awards - good to motivate

General

- govt booths in the trade show? (some good things being done (information exchange)
- IT and cost reduction
- facilities management (Transport owns many of its buildings)
- correctional services - major water savings
- workshop format- G/Ind mix - case studies

Who to participate

- decision-making levels/ADMs etc. - get them involved in promotion - get DG's supportive re funding attendance (400 person target for trade show?)
- a Provincial Roundtable to review Provincial initiatives? (e.g. tailpipe testing in BC)
- accountability -Sheila Copps as moderator?

- Booth to promote the event at the Material Managers Conf.

Fisheries

Green Procurement - paper etc. is now old stuff

- office supplies/furniture/equipment

- need clear cut statement of expectations from central agencies (commitment/teeth)
 - now do small things (e.g. double-sided photocopiers), but, no program to evaluate procurements on a life cycle basis, despite T Bd guidelines

- what premiums to buy green?

- why pay more for recyclable file folders if they end up in the garbage?

- lack resources to make the program work?

- is there an inventory of green suppliers?

- courses in "buying green"

Facilities/capital assets

- fleets, etc./ 1300 wharves (commercial/recreational)

- environmental impact assessments re. facilities development (wharves)

- buildings (600 facilities)

Issues

- accountability

- science supplies

- decentralized buying - little bulk buying, so 1000's of small buys - accelerated by push to decentralize buying (1,200 credit cards) thus, no real control over what Govt. buys (below \$2,500)

- not interested in trade show because DSS does the buying?

- same thing re. facilities - DFO wants to leave this function with Pub. Works

- how to sell green procurement - need case studies/examples that provide the business case (or a simulation model to make the generic case)

- concentrate on big ticket items (heating accounts for 90% of energy consumption vs. 10% in motor vehicles)

- key consideration is managing in tough times!

RCMP**Communications/ accountability**

- information on procurement requirements not filtering down to procurement officers
- problem accentuated by decentralization (e.g. fleet purchases now specked in the regions and much procurement is done at the detachment level)
- Ottawa becoming a policy centre, so an event in Ottawa will miss a lot of people! (How to get information out?)
- thus, big issues related to policy/information dissemination/education/and accountability
- RCMP developing an overall policy framework (e.g. fuel efficiency, food, packaging etc.)

Lifecycle procurement/ accountability

- division of responsibility impedes - e.g. DSS is responsible for disposal

Trade Fair

- automotive (fuel efficiency/dual tanks/electric
 - marine fleets/emission controls/fuel efficiency
- (note - fleet managers are in the regions and general procurement is at the detachment level!)

Areas of interest

- the greening of the office (discuss by life cycle stages)
- fleet management (effect of provincial regulations - e.g. for use of alternative fuels/propane in garages)
- case studies are important
- demonstrate economic benefit!
- include clerks/peons as they do much of the buying

Output - e.g. a status report on the greening of the office that could be sent to the regions?!

-contact Mel Avery (real property) - 993-3163

DSS**Themes**

- greening of the office
- cleaning up past problems (e.g. site remediation - DND and Transport)

Problems

- dealing with smaller, diverse group of companies - market is broader than CEIA (e.g. recycled paper)
- responsibility!!!! - client departments prepare the specs/technical aspects and often the performance specs; DSS verifies specs and does the buying (goods and services) through fair competition
 - . thus, if client specifies Ecologo, great (otherwise) - This emphasizes the importance of specifications
 - . also how to manage the benefits of life cycle procurements!!

Importance of the Trade Show

- visual benefits for officers (what do products look like!)
 - what is the leading edge?
 - 600 to 1000 procurement officers in Ottawa (materials management side) - very few would have an interest in the Conference
 - key objective - awareness/understanding and how to use time efficiently
 - industry could also benefit from the office/building aspects
- (Talk to Laura Jackson (736-2181) and Michael Dawson (956-0885) re. real property issues)

Environmental Choice Program**Status**

- 120 companies carry the Ecologo - a total of 14-15,000 individual products licensed in 15 different product fields
- now use guidelines as basis for certification
- life cycle criteria are used. Cost is \$30-50,000 per field. Fee to use Ecologo label is \$300 to \$5,000/year (related to sales) plus an entry fee of \$2-10,000.
- 10 of 12 provinces and territories and federal govt. include EcoLogo in procurement guidelines (also city of Toronto)

Problems

- public awareness, particularly in the private sector (thus concentrate on institutional buyers!)
- benefit of the program is due process leading to certification

General (talk to and draw a string through interested groups such as)

- Roman Osinchuk, Mgmt Board Secretariat, G of Ontario
- PMAC, -CMHC, -GIPPER (provinces and municipalities - inventory of green suppliers; not certified!) -CSA -PMAC-EAP- ACCESS

Industry Canada

- important to get traditional industries involved (the conduit to best environmental management practices)
- big green market is institutions/school boards/hospitals etc.
- trade show (an opportunity to influence buyers)
- Conference (target public sector needs; draw on experience of major corporations e.g. Mgmt/corporate culture (IBM, Ntel, Inco etc. -Jean Belanger and the chemical industries "Responsible Care Program")
- awareness building - what to tie the "obligation" to (e.g. CCC, Mont. Protocol etc.)
- Standards/Energuide etc. - role of labs, energy conservation targets, environmental audits (EAP?) etc.
- Can Public Works quantify green purchases? Who in DSS has this information (Talk to Chris Hanlon)
- fleet management; Mohawk oil recycles used oil
- airport management - Zenons glycol recovery unit
- CCME key to a roll-out? - important to tailor to local needs or to interests of specific groups
- Parliament Hill went green; talk to John Fraser or Parent
- CD ROM vs. a road show?

Environment Canada

CEIA has an important role to play - there must be a place for hard edged pollution control technologies

- e.g. site remediation (joint federal provincial program to demo (conferences etc. now exist; is this adequately covered? (talk to Steve Hart!))
- Laura Talbot -Allen (Corporate Services) is key
- themes include fleets/ buildings/ the Ecologo program/ chemical supplies/paper products/ role of IT's/ pollution prevention/control and remediation
- include municipal/provincial/federal waste water treatment/ waste management/ site remediation
- showcase things already done (i.e. demo results by companies that have already sold to govts and see further market opportunity
- how to spin out benefits beyond the government?

DND

- objective is to save money
 - re. organization of DND procurement
 - . huge infrastructure to support procurement; spread across the country; base level is big (paints, food, etc.)
 - . strong emphasis on decentralization (all bases have environmental and property management; a big market so may want to approach the commands)
 - 80% of purchases accounting for 20% of value done by non professionals
 - key themes
 - . waste reduction at institutional level
 - . packaging
 - . recycling
 - . buildings (DND has 30,000?)
 - green products vs. green procurement (technical people/engineers write the specs: these are the key target! - procurement officers then buy NB these are different interest groups!
 - so, important to know/reveal how specs are written (who, how tight - Possibly a government /industry panel on where we are and where we got to from here)
 - keen interest in life cycle costing; ECO logo/US Green Cross/German Blue angel?
 - training for procurement officers and engineers (e.g. teach life cycle managers what to look for re. environmental issues (procurement is only one step)
 - try to avoid the word "procurement"
 - set up meeting with the 3 responsible ADM's to get commitment
 - legislative overview - what is driving greening
 - how does NAFTA/GATT discourage the process (env. procurement)
-

Environment Canada - Environmental Citizenship

- five program priorities; waste reduction, energy in buildings, water conservation, fleet management and green procurement
- also interest in the regulated part of government and compliance, particularly site remediation (250 sewage treatment plants are subject to provincial regs.)
- also facilities management/fleet management ; must get to these people
- Environment Week, June 5-10
- note Ontario Green Workplace initiative and Alberta (Ray Kerouac from Public Works)
- Earth Day - capitalize on PR opportunities from other events

Environment Canada (EAP)

- greening of procurement vs. greening of government
 - facilities management side is important
 - note study on federal procurement policies and 1992 Consulting and Audit Canada report on "Promoting Environmental Procurement In The Federal Government"
 - Processes for promoting green products
 - . role of senior management
 - . responsibility/accountability is big issue (e.g. to whom do savings accrue?): environmental responsibility accounting
 - Code of Federal Environmental Stewardship
 - EAP - ADM's to advance action
 - . Sustainable Environment Commissioner in place soon
 - (NB can the EAP play a role in managing the project?)
 - the four fold classification (greening of buildings, offices, fleets and sites is good)
-

Public Works (Real Property)

- should be a part of the GoG Cab Doc going forward in January (Janet Davies 994-1700); should be integral part of the communications plan
- important to meld into broader framework of government action? i.e. be part of the overall picture: avoid a scatter-gun approach and establish relative priorities
- Thus, change title to Green Management (i.e. exchange views on how govt. manages: procurement falls out of this)
- tie to Environment Ind. Strategy

- an opportunity for govt. to strut good stuff/ share experience/solutions/problems etc. - showcase good practices, recognize achievements (include sites/water)
- use to paint picture of governments as users of green products (include the services side of industry)
- issue of the office (distinguish between owners and managers/custodians vs. tenants
- likes the approach because it is holistic! - a no loser! it promotes dialogue vs. imposition!!!!!! (implication is incremental \$\$ vs. promotion/volition)

- Environment Week: internal government initiatives linked to external; lead up to SD Strategy: good timing from FY perspective
- \$\$\$ will drive the GoG
- fleets and equipment and special purpose vehicles
- advertising/printing etc. as a sub sector?
- teleconferencing as a way to make the event itself "green"

Contacts

DND (F.R.) Forrest Smith, Dir, Environment

Transport - Robin Lewis (EAP group on environmental management systems)

Correctional Services - Tom Crawford

AgCan - Dan Fennity DIAND

EMR (CANMET)

Interested in

- greening of sites (energy supply, cogeneration/distributed heating etc.)
 - greening of buildings
 - greening of employees (e.g. parking, car pools)
 - initiative is needed/very positive
- procurement system is the problem! (it provides the infrastructure and services to departments - it is their system and their responsibility to supply departments with things!)
- big issue is govt. as an agent of change
 - . enormous inertia: informed consumers can't change it!
(e.g. tried to use third floor to demo appropriate office technologies/carpets that pass off gas standards etc., but not in the book!)
 - regulations/standards have major impact (e.g. FIBEC regs not enacted, but is an increasing demand for CANMET services related to remediation)
 - developing criteria for what constitutes a green building (R 2000 program) and new building code
 - US Energy Star rating for office equipment
 - Re greening of the office, data coming in on relation between Q of the office environment and productivity (NRC, Nov 94) - this should be part of the business case!
 - . buildings account for 5% of total Govt operating costs/salaries 95%? so increase the investment in the 5% and produce significant gains in the 95% (key is occupant control)
 - need for govt. leadership (i.e. to become a less risk averse host) for new technologies (efforts bump into the process)
 - issue is how to internalize environmental costs into decision-making; this relates to life cycle costing (e.g. high efficiency motors cost more but save energy over their operating life - again, the purchase cost is 25% of the life cycle cost, operating charges are 75%)
- Talk to
- FBI Program Rick MacKenzie or John Brennan (947-0380)
- ESCo's will flood in, also water issues/efficiency/suppliers of hardware etc.
- need to start a movement; develop a community of interest

Environment Canada (contaminated sites)

- 1200 sites of concern to Feds; 75% are hydrocarbon related
 - a half to \$1 billion program in the works (Bill has been tabled?)

 - NB cost of remediation/ton has been dropping! Administrators are not aware! (i.e. think it costs \$2-300 while may be as low as \$40-60/ton?!)

 - gave me a diskette of industry and other relevant organizations

 - this is a very "hungry" market (e.g. Transport Canada re. airports, DND, N. Affairs, AgCan re. management of lands, major oil companies re. 7000 service stations, etc.)

 - is a willingness to buy, but deterred by a feeling that products and technologies are not cost-effective

 - a problem related to setting specs/stds - CSA involved

 - approach is important as there needs to be a change in the way the government does business

 - there are specific events going on that are technology related (no overlap with this initiative) e.g. a Gas reps conference on ground water (talk to Glen Allard)

 - Conference may be a harder sell because technology awareness is the key!

 - Talk to
 - . banks re. environmental audits/date related to loans
 - . sites advisory group (Glen Allard)
 - . Provinces
 - BC Dr. Lanny Hubbard
 - Ontario Mangiona? (to confirm)
 - EcoLogic Doug Hallett
-

Resources Canada (Federal Buildings Initiative)

- EAP agreement (Environment and Treasury Board) just signed
- concerned in relation to EAP that Energy Conservation and FBI are both way out in front of other federal initiatives and don't want to be "dragged back"
- GoG proposal can only help!
 - . they are a small organization and need to leverage
 - . FBI a solid model
 - . a govt./private sector partnership (original objectives related to CO2 etc.; now economic benefits are driving it!)
 - . as of November 1, provinces/municipalities and institutions asked to replicate the federal initiative (working with the Federation of Municipalities and individual provinces)
- re. the GoG MC,
 - . how can FBI benefit and contribute (e.g. ODS problem and other environmental concerns)
 - . needs to be a new way of doing business (FBI can help)
- standards!! PVM is being made a model of a "green building" (under FBI)
- "green" is evolving
- Minister Anne McLelland is very strong on the program!
- what about a Fed/Provincial/Municipal/Institutional Roundtable?????

Training

- the FBI has a set of 14 packaged workshops that progress from awareness to project management and employee awareness

NB - can the exhibitor Guide become a source book for procurement officers????

Ontario Management Board

- 460 people involved in purchasing (office related ?) in Ontario
- terms and conditions vary between Ministries/ limited access to information
- two policies
 - . Environmental considerations included in purchases over \$10,000 (quite loose in its definition and application)
 - . adoption of ECP licensed products
 - . are now government wide standards for photocopiers, PC's and some office supplies
- big issues are related to communication and information flows; is a need to reengineer the procurement process

Greening of the Workplace

- . a separate initiative
 - . involves recycling, composting, "Teleride", build green, etc. (very wide)
- (BC has/is developing guidelines for life cycle building management)

Standards and Management

- . green purchasing is very much a moving target
- . CSA guideline is coming on environmentally responsible procurement
- . the CSA standard and the ECP should go together (i.e. products and management)

Training

- . what are procurement officers needs?
- . green requirements should be in the RFP and include an explanation of how to evaluate environmental considerations!!
- . techniques are not well understood by procurement officers
- . there is a need for a workshop; the development of skill sets is more important than specific technologies
- . is interested in doing it!! (perhaps with a handout on sources of information/help etc.)

Talk to

- Purchasing Managers Association; they represent 6,000 people and run training/certification programs (retain Energy? Pathways to do seminars - they are also used by the ECP))

NB - emphasize procurements role in Green Buildings (otherwise, why would they come?); unless procurement officers do something, nothing gets done! They have a key role to play in changing industry (i.e. the procurement system can move industry in certain directions!)

Talk to

- . Lou Pagano re. Gipper (tel. directory of non certified environmental products used at municipal level?)
- . study done by M.M. Dillon on Environmental Products

CEIA - Ontario

The group ended up being highly supportive of the initiative. However, the meeting began rather awkwardly because of the way they see the needs of their industry (they have a mission!).

- . CEIA - Ontario membership is dominated by small, early stage, technology oriented companies.
- . Their policy interest is driven by their sense that the environmental industry is created through regulation. They see the government's role as creating the regulatory framework within which their companies can take root and grow.
- . Government procurement should be used to showcase Canadian technologies to other prospective buyers (i.e. incubate technologies as a prelude to development of export markets) In this context, they see the task as getting government to put policies in place to showcase products, not to educate procurement officers.
- . they also see themselves as the industries of the future and expressed considerable concern about being subsumed by
 - big company interests (e.g. BCNI) in voluntary compliance as opposed to regulations, and
 - being linked to an event that involved "green products" as opposed to environmental industry products and services (i.e. they were concerned about the potential dilution of their definition of the environmental industry which they see as being tied to the new economy as outlined in the Liberals Red Book and the Federal Environmental Industry Strategy)
- . They are looking for strong government leadership on these two inter-related policy thrusts (regulation and showcasing technologies through procurement)

Once they had made these points, the discussion of the GoG initiative became much more focused and positive.

- equipment etc. not covered by the 4 categories (i.e. greening of fleets and equipment)
- expressed a wish to limit the focus of the event to environmental industries; then agreed to give consideration to designing a separate stream for the Conference (by the end of the meeting this idea had blurred - to get back to me on it)
 - . suggested the Ottawa chapter (i.e. the OCEDCO Environment Committee) be involved in shaping the agenda
- key for them is to use the Conference, etc. to promote core services/products;

do this by

- . relating Conference to Govt. Environmental Industry Strategies (include this in the “context”)
- . need strong environmental industry policy discussion/focus (i.e. tie to the need for an appropriate policy/regulatory framework - give the industry an opportunity to talk to these requirements)
- . address government “market” needs/ explain/quantify (include municipalities/utilities/provinces)
- . look at market for recycled products (i.e. value added products from waste)
- . discuss/explain the procurement process
- . emphasize the “industry of the Future” and that it is here now! (e.g. source treatment of effluent in your buildings) as opposed to light bulbs which everyone knows about
- . synergy (energy efficiency implies pollution abatement)
- . there is a major move from abatement (90% of the industry) to pollution prevention!
- . stress that government has a leadership role to play (e.g. setting and complying with regulations)
- . need to emphasize life cycle management

- noted there is now an annual Ontario conference on the “Green Office” but didn’t see conflict

- possibly a role for a CELA profile booth to showcase environmental products

- limit booth size to 10 x 10 and also the number of booths allocated to single organizations to create an equal footing for SME’s

NB Do not limit the Case for going Green to “the Business Case”

CEIA National

Important themes

- . scope the market (include provinces/municipalities/institutions)
- . the procurement process and standards
- automated bidding system (tied to OPS); link to Alberta Internet (?) initiative
- management of the process of going green and how to bring about change (case studies)

Get big company involvement (i.e. non-supplier)

- e.g. CP Hotels, Westin (parking garage lights), NTEL (lifecycle management), BCNI, Dow, TransAlta, Bell (zero waste) CCPI (Roger Lafleur - re system in place for oil collection)

- What about involving the Chambers of Commerce (as in Alberta) and economic development authorities (how can they offer better services to their client groups)

- note the GEMI initiative (Washington? - unclear)

- Re Buildings

- . energy conservation, water, waste management, demolition/retrofit and management of the waste system

- re. offices

- . management of the waste system

re. fleets

- . oil/lubricants, carcasses (fluff is 30%), air conditioning, steel, etc. What is governments role????

- Re Sites

- . note Waste Management Conference in September (17th year - tends to be technical) also the Dessert Conference (?) dealing with the sites program - talk to Glen Allard/ George Hill/ Ned Lynch)
 - . the Contaminated sites program - Fed/Prov cost sharing under CCME. Fed contribution is \$150 over 5 years; 100 M for orphan sites (matched by provinces) - goal is 30 sites by 95: 25/25 for R&D and 25 for fed sites, especially DND (Tony Downes)
-

Alberta Environment Council

(meeting arranged through Environment Ministers Office)

- very supportive of the proposal; keen to help out

- Alberta currently running relevant projects

1. Greener Operations Program

- promote information sharing (public and private sectors) and have set up info sharing activities

. operate through networks of organizations (50+ in both Edmonton and Calgary)

. workshops (waste reduction, water conservation, etc., how are you doing this strategically in your organization, emphasis on cost savings)

2. Green Procurement Trade Show last summer also Environmental Products Business Show in Red Deer (a "mush" audience - universities, schools and hospitals)

3. Green Procurement Policies in place (e.g. ECP etc. - normal problems in applying) - also, departments have adopted environmental policies etc.

. they have something to talk about and an experience base to share - also a nice model for information sharing

Talk to

Jeff Thomas, Public Works Supply and Services (403-427-3222, ext. #235)

(replaced Ray Kerouac)

Wilf Bileau, EPS, 427-6266

Environmental Services Association of Alberta

Note importance of Goals/philosophy of the event - joining together in common cause

The business case for going green

- . the industry can make it!
- e.g. solid waste audits (governments slower to act on cost savings!)
- . govt. regulations/standards not applied
- . cost savings ignored

- a real problem with government accountability (operate in 4 year cycles vs. the long term!)

The greening of Canada

- . important to recognize the life cycle benefits (e.g. energy savings in manufacturing - how to recognize in procurement?)

The procurement Process

- . who makes decisions; need organ charts
- . how to get on bidders lists
- . how to make the green case (time etc. involved)
- . make it visible/accessible by industry

Recognize/Reward Individuals

- . measure performance by most appropriate procurements in an established corporate framework
- . integrate technical specs and environmental responsibility
- . cost savings through procurement
- . impact on the way they do their jobs (what is the full process for developing specs and tendering - and then management)

Trade Fair

- . need an audience of decision- makers and buyers

Simplify the Process; tell industry

- . what are the problems
- . who makes decisions
- (industry has things to offer; is solutions -driven; thus, put problems out to industry to solve!)

NB Making it easier for governments to do business = 's cost savings: governments lose because they make it difficult for industry to access

Need for Visible Government Commitment

- . senior management
- . criteria for government procurement
- . stop competing with the private sector!

Problem of Trust

- . need commitment before industry will take it seriously (must believe change will happen!) need this from the top down; need recognition of the individual and result will be change in the way procurement officers behave!

- can provide good eggs from the private sector re. management (work with professional associations?)

Role of Standards

- . ISO/CSA life cycle (out in 96?: driving the time line!)
- . get government out of it; give it to the CSA

- include municipalities

Services

- . how to apply criteria to services
- . get public works out of the business of doing audits, etc.

- changes in policies that discourage G procurement (e.g. good case involving RCMP and spills - can't bill RCMP directly so had to go through insurance companies and no action taken)

- need a "Green Supplier" verification system