

Breathing new life into an old challenge

by David Newman



HMMM – GREEN procurement – a grand new Government of Canada initiative – well, hardly! It has been promised, and promising, for more than 10 years.

That's one of the key points that Johanne G elinas, Commissioner of the Environment and Sustainable Development, made in her Report, tabled September 29. "I'm starting to sound like a broken record where government promises are concerned. Green procurement illustrates the overall message of our 2005 Report: a chronic inability to sustain initiatives to completion. The government itself has been talking about green procurement since at least 1992 and here we are in 2005 without even a policy to address its implementation across government."

Green procurement is a regular theme in *Summit*, largely reflecting the interest of our readers. With the advent of the latest report and the introduction of the new Office of Greening Government Operations at Public Works and Government Services Canada (PWGSC), *Summit* interviewed Commissioner G elinas and the executive in charge of the recent PWGSC initiative, Margaret Kenny.

G elinas' report gives some solid reasons why greening procurement matters. "Green procurement involves buying goods and services that are less harmful to human health and the environment than competing products that serve the same purpose. The federal government is one of the largest purchasers in Canada, spending a reported \$13 billion per year on a wide range of goods and services, such as office supplies, laboratory equipment, vehicles, and building maintenance. Given its large scale, the greening of federal procurement can

significantly reduce environmental impacts, boost the availability of green products and services, and stimulate innovation." The audit found that despite the government's numerous commitments, federal direction to consider the environment when purchasing remains weak."

TerraChoice Environmental Marketing Study

TerraChoice is an Ottawa environmental marketing firm that manages Environment Canada's **Environmental Choice@Program (ECP)**, an eco-labelling program. Products are certified with the EcoLogo when, following extensive research into the product's impact on the environment, they meet the program's environmental standards.

Recently TerraChoice conducted a survey of federal procurement specialists on green procurement and found that:

- 71% acknowledge they are guided by an environmental policy
- 5% never buy green, 26% sometimes, 48% often and 20% always
- 31% can pay a premium for green of up to five percent, 17% of even more
- 70% are aware of the EcoLogo, 16% use it regularly, 36% occasionally

Potential enhancements to green procurement were identified as:

- More knowledge and training (78%)
- More product options (59%)
- Less price sensitivity (53%)
- More or different policy direction (26%)
- More or different policy enforcement (36%)

Green hot buttons:

- recycled content
- energy conservation
- recyclability
- toxicity

The gaping policy hole on green procurement has not stopped some individual programs, departments, managers and procurement specialists from going green. Over the years, *Summit* has profiled numerous stories on green procurement initiatives, ranging from buying carpeting to fleet management and energy. Many of these stories dealt with actions at the provincial and local level, but some also covered action at the federal level such as the "green office" prototype developed at Environment Canada in the '90s.

That point also doesn't escape the Commissioner. She gives credit for those green procurement initiatives – at organizations like the Canada Revenue Agency and in programs like Partners for a Green Hill (www.parl.gc.ca/Information/About/Greenhill/mandate-e.asp?Language=E) – that came to her attention during the course of the audit. "Good ideas are not what are missing. What we do not see at the federal level is the governance, direction and motivation to systematically put those ideas into action. Also, while recognizing that some departments have taken initiatives to implement specific aspects of green procurement, all in all we cannot really tell if progress has been made because the government just doesn't measure results."

And that's where the rubber meets the road. The good stories out there about environmentally friendly procurement practices are, for the most part, anecdotal – 'not measurable.' G elinas knows that measurement is the prerequisite to effective management. "There is an absolute need to have common indicators. The government needs to gather information on progress and give us the big picture."

Not entirely coincidentally, PWGSC seems to get the point in their new *Way Forward* initiative. It has not only set up an Office of Greening Government Operations (www.greeninggovernment.gc.ca) that reports directly to the deputy minister; it has selected a highly qualified and respected environmental policy executive to kick it off. Margaret Kenny was Director General of the Environmental Technologies Advancement Directorate at Environment Canada before she joined PWGSC. She acknowledges the Commissioner's key observations saying, "[The commissioner] and her staff have gone to a great deal of trouble in conducting her audit, looking at causes and examples, and I think she had a lot of valuable things to say. It is clear from the government's response that there is more that we can do here. There is a reason to be talking about green procurement. We want to reduce greenhouse gases and air contaminants, to improve energy efficiency, reduce waste and toxic materials and ultimately that is the goal. We also need to measure that kind of thing."

And even amidst a healthy and warranted caution on government progress and commitment, Kenny gets some pretty high marks from Gélinas. "The fact that purchasing will be more centralized now and under the jurisdiction of Public Works may make a difference, but we don't know at this point what the impact will be. It may make the life of the departments simpler by making green procurement easier to implement. And I think those who are committed to greening have a very good ally in Margaret Kenny."

Not surprisingly Margaret Kenny clearly gets the need for centralized expertise as well. "The biggest change that has occurred since the commissioner completed the audit, though she did note that it was in the works, is the fact that this office now exists. Right now we have three full time people working here, however they are also coordinating the efforts of a lot of other people working closely with us in our acquisitions branch. The commissioner voiced concern about the focus for the initiative, the resources dedicated to it and the leadership to ensure it is realized. This office is here not only to provide the leadership needed on the environmental procurement file itself, but for a number of files that fall under the rubric of greening government operations."



Johanne Gélinas, Commissioner of the Environment and Sustainable Development

While Margaret Kenny does bear the weight of years of procrastination and in-decision on the policy front, she is looking ahead with enthusiasm and optimism. "We are developing the governance and structure right now. There is a commitment to have the policy in place by 2006 and we are certainly going to meet that, I would say earlier in the year rather than later. I sense a real priority, in this organization and in the government as a whole, on greening government operations. We won't immediately have specific targets *per se* in the initial policy announcement, but as the commissioner alluded to in her report, we have other tools such as the sustainable development strategy. In the government's response to the report, it is clear that the Government of Canada Marketplace will be an online tool that will be a very helpful component. There are a number of standing offers that are already in place for green products. Our intent is to work with *The Way Forward* through the commodity management approach where the councils and the tools are there. Green procurement must be a component in all policies, not a stand alone file."

Johanne Gélinas intends to stay on top of this issue. "At this point it looks like there is some momentum behind green procurement. The best I can do is to continue to ask deputy ministers to report on progress, provide information for parliamentarians and when called upon to do so, appear before Commons and Senate Committees to present our findings and recommendations".

This is the commissioner's job – to report on progress (or the lack thereof), not to make it happen. "Our role is to audit and report to Parliament and Canadians on significant environmental and sustainable development issues. It is not our role to tell the government what its priorities should be. But in the case of green procurement and for greening government in general, there has been a clear commitment at the highest political level for quite a while. No one can use the excuse that the priority was not known. We have plenty of examples where government actions regarding its environmental agenda have not kept pace with government commitments."

Kenny already has a pretty clear perspective on the challenge and, early on in her job, an idea of the breadth of the context. "There has been a worldwide community of interest that has developed on this subject and we are certainly looking at what other jurisdictions, both domestic and international, are doing. Though there is some interesting work out there, based on the information we have, Canada is in a fairly unique strategic position. We have *The Way Forward* that is going to allow us to take more of a corporate approach. Earlier in the year I was at a United Nations conference on green procurement among a number of jurisdictions from both developed and developing countries. The struggle that every one of these jurisdictions is having is that, when they are practicing green procurement on a transaction-by-transaction basis; every jurisdiction has hundreds, if not thousands, of procurement officers that need training who have to make individual decisions. That creates great difficulty in terms of timing, tracking and monitoring in any way. So I think that we have one of the best opportunities of anyone to do something really positive in this area."

No doubt Kenny will be taking substantial guidance from Gélinas' report (www.oag-bvg.gc.ca) to Parliament as well as her colleagues in PWGSC and federal departments. She'll also appreciate lessons learned from colleagues in provincial and local governments as the new policy is invented, tried, tested and implemented. *MM*

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