

What Is Green Procurement?

Environmentally responsible or 'green' procurement is the selection of products and services that minimize environmental impacts. It requires a company or organization to carry out an assessment of the environmental consequences of a product at all the various stages of its lifecycle. This means considering the costs of securing raw materials, and manufacturing, transporting, storing, handling, using and disposing of the product.

Green procurement is rooted in the principle of pollution prevention, which strives to eliminate or to reduce risks to human health and the environment. It means evaluating purchases based on a variety of criteria, ranging from the necessity of the purchase in the first place to the options available for its eventual disposal.

Consumers, investors, shareholders and regulatory agencies are increasingly demanding that organizations behave in an environmentally responsible manner. Practising green procurement demonstrates an organization's commitment to considering and minimizing the environmental consequences of its activities. It thus makes both environmental and economic sense.

Green products are generally produced in a manner that consumes less natural resources or uses them more sustainably, as with sustainable forestry. They may involve less energy in their manufacture and may consume less energy when being used, and they generally contain fewer hazardous or toxic materials.

Green products are also generally designed with the intention of reducing the amount of waste created. For example, they may contain recycled material or use less packaging, and the supplier may operate a 'take-back' programme.

Buying 'green' usually involves products that are easily recycled, last longer or produce less waste. Money is therefore saved on waste disposal. In addition, green products generally require fewer resources to manufacture and operate, so savings can be made on energy, water, fuel and other natural resources.

Moreover, green products generally involve fewer toxic or hazardous materials, reducing associated expenses such as permit fees, toxic materials handling charges and staff training.

Organizations often require a green procurement programme as part of their environmental management systems, as certified under the EMAS and ISO 14001 regimes. In addition, new regulations increasingly require the adoption of green procurement practices. The Sustainable Development Act in Manitoba, for example, requires all publicly funded organizations to integrate procurement guidelines into their daily operating practices.

Meeting these and other environmental regulations is easier for organizations that already practice green procurement.

Green procurement also has benefits for health and safety, both of workplaces and of the wider community.

Organizations that practice green procurement will also be recognized as good 'corporate citizens', and influence those around them. As markets gradually change, the availability of green products will increase and prices will fall.

Challenges to green procurement

1. **Price:** There is a perception that green products are more expensive than conventional alternatives. This is true in some cases, however, often there is no significant difference. However even if a green product may have a higher up-front purchase price, it usually will cost less over its lifetime.
2. **Lack of corporate commitment:** For an organization to implement a green procurement programme, it must have commitment from all levels, including senior management and purchasing agents.
3. **Insufficient knowledge:** Many organizations are unfamiliar with the concept of green procurement or with the options available to them. For an organization to participate, it must have an understanding of concepts, vocabulary and terms.
4. **Availability:** Frequently, local distributors do not stock green products, or else they stock only small quantities.
5. **No acceptable alternative:** Another barrier to green purchasing can be simply a lack of acceptable alternatives to the present product.
6. **No specifications:** It is important that suppliers be asked to provide the environmental specifications of the products they are offering.
7. **Purchasing habits:** 'We've always done it this way' can be a difficult mentality to overcome.

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