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Sustainable purchasing policies: Does your business have one?

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Green purchasing or sustainable procurement is a tool to mitigate the environmental impacts of consumption. It simply means looking at what products are made of, where they come from, how they are made and how they will be disposed of at the end of their life cycle. Green purchasing is also an initiative to consume responsibly and move towards a more sustainable society.

Most governments, large companies and, increasingly, small and medium enterprises in tourism have some sort of purchase or procurement policy that incorporates environmental and socially responsible objectives. The number of tourism businesses that operate with a green purchase policy has not yet been quantified. The public sector spends 45-65% of its budget on procurement, which amounts to 13-17% of the GDP of OECD nations. Overall, tourism has the potential to significantly improve its sustainability performance by implementing green purchase policies because it is an industry that consumes products and services from almost every economic sector. For example, some hotel chains like Scandic as well as the Resort Municipality of Whistler have integrated sustainable purchasing goals into their procurement policies and developed a number of resource tools to encourage better purchasing choices.

What is a sustainable green product?

In simple terms, sustainable products must meet one the following criteria: they must be made from abundant and/or renewable sources, recyclable, organic, made or grown locally, powered efficiently, durable (i.e., have a long life cycle) and/or be reusable. In effect, a sustainable product best meets the aims of environmentally responsible management at all stages of the product's life cycle. Life cycle analysis is a very important part of responsible consumption. It refers to the analysis of all the stages involved in the production and consumption of something:

- materials initially used to produce it
- amount of energy used to extract materials
- waste outputs involved in acquiring the raw materials
- manufacturing processes
- consumer use
- maintenance
- final disposal

Traditional products do not reflect the full cost of their social and environmental impact. For example, the price of polluting products such as

chemicals and non-biodegradable products does not include the cost of cleaning up the pollution they cause. Instead, this cost is the responsibility of the communities affected and is usually paid by public funds. It is almost impossible for a tourism business or consumer to analyze the life cycle of every product. To make it easier to identify more socially responsible products, a variety of organizations are developing standards, labels and certification programs (see figure with logos). In Canada, Environment Canada's Environmental Choice Program provides a list of products that have been tested and certified environmentally responsible throughout their life cycle. Such products are the least damaging compared to alternatives on the market and they are permitted to display the EcoLogo. Various other organizations across North America and elsewhere offer certification for a diverse range of products.

It is difficult to assess products that are not labelled. It is also necessary to pay close attention to labels and marketing tactics as the market is currently being saturated with "environmentally friendly" products that do not truly live up to their claims. A product can be assessed by checking product Websites and obtaining information directly from suppliers. If a company does not have a clear description of their sustainability policy, it is also advisable to check its accreditation for general compliance with standards as well as whether it belongs to Canadian Business for Social Responsibility (CBSR).

Why sustainable purchasing should be the norm

Green purchasing influences the market by encouraging businesses to offer more innovative and sustainable options. Besides being generally more responsible, businesses enjoy numerous other advantages by adopting a sustainable purchasing policy. This includes many savings, especially over the long term, as well as an enhanced brand image. As consumers are becoming increasingly green-oriented, companies who have already embraced more responsible practices are realizing opportunities to differentiate themselves from competitors. Other specific benefits can include:

- savings due to lower operating costs because energy, water and other resources are used more efficiently
- savings from lower waste management fees
- easier compliance with environmental regulations
- avoidance of unnecessary health and safety risks associated with toxic product use

It must be noted that several of these benefits may only be realized over the medium or long term. When companies who have adopted sustainable purchasing policies educate the public and build awareness of their economic and environmental benefits, employees develop a sense of pride across the organization.

Practical steps for implementing a sustainable purchasing policy

1. Reconsider each purchase

A lot of businesses consume products that are not necessary. To determine whether a specific product needs to be purchased, the following questions must be asked:

- How does this product contribute to the company's service?

- Can the company deliver its service without this product?
- (if relevant) Has the product been used to the end of its life cycle?

In the case of consumable items, it is worthwhile to assess the possibility of reducing the rate of consumption. Reducing the purchase of unnecessary items will create savings for purchasing or encouraging more sustainable products.

2. Rent, lease or buy it second-hand

Infrequently used products like office furniture, tools, machines and computers, for example, can be also rented, leased or even shared with other businesses. Renting means that the initial purchase price is reduced, so it saves money and avoids the risks and costs associated with disposing of these products. Some companies that purchase durable goods are legally responsible for the waste and recycling of their products. In the case of renovations and building, construction materials can increasingly be purchased recycled or second-hand.

3. Choose a durable or longer life product It is better to choose products that are longer lasting and, preferably, multifunctional to reduce one's overall rate of consumption. This requires comparing the cost of a non-disposable version with a less durable or disposable product to determine the cost per use and estimate whether money can be saved. For example, throwaway items such as foam cups can be replaced with recyclable equivalents, including glass. Most products on the market, like light bulbs and batteries, have "longer life" versions. Products such as electronics and machinery have a long service life and can often be repaired.

4. Choose products or services designed to address specific environmental or social concerns If possible, it is preferable to choose labelled products that have been tested by reliable organizations. If a labelled product is not available, consider the following:

- For all chemical-based products, check the product's content. Cleaning products, fertilizers, lighting, paints, piping and wood products all have specific assessments to show how toxic they are and these are often available on government department web pages or other publicly accessible sites. Certain computer hardware components and cleaning products contain toxic ingredients such as formaldehyde, mercury, lead, cadmium, chromium, phosphate and volatile organic compounds. These products need to be replaced with low polluting, less toxic alternatives. For example, oil-based paints have water-based equivalents and so on. Some plastics and furniture can emit gas, which is not only harmful to the environment in general but also dangerous to human health.
- For all non-perishable products, check whether the product can be recycled and reused. These include products such as toner cartridges, oils, glass, plastics, paper, pens, beverage containers, batteries, and so on.
- For products that use water and/or energy, check the availability of more efficient alternatives that use less of these resources. This applies to anything from plumbing fixtures, to kitchenware and light bulbs.
- Check whether the product is recyclable, or contains recycled materials or reusable parts. Sometimes new products are available from recycled materials and the purchase of these items promotes recycling instead of using virgin materials. These products are labelled to show the percentage of content that was produced from recycled sources. Some products are made from materials that are less and less abundant and nearly exhausted, including furniture.
- For products that use non-renewable energy such as petrol-based fuels, check whether alternatives exist that use a cleaner source of energy or renewable energy. This applies particularly to cars. The variety of fuel-efficient equivalents is growing rapidly in all vehicle categories and in Quebec the government provides a tax rebate for buyers of some hybrid vehicles.
- For perishable food items, check whether they have been organically and/or locally grown. If you run a dining establishment, you must pay

particular attention to foods like fish to avoid serving species whose stocks are overharvested. Sustainable Seafood Canada is a coalition of conservation organizations that has developed a guide to encourage sustainable consumption patterns.

- For imported products from less developed nations, check whether they have been produced in accordance with fair trade principles.

5. Source products locally as possible

In an effort to reduce greenhouse gas emissions, it is really important to source as much as possible from local sources.

How to get started?

Implementing a sustainable purchasing policy will take time because purchasing staff need to consider trade-offs. This includes environmental objectives versus operational requirements, price competitiveness and product quality and availability. For most tourism businesses, implementing a sustainable purchasing policy will not be easy because of the need to strike a balance between these aspects. However, it is better to start with a simple plan that can be improved continually. Organizations that have implemented such sustainability actions have the following advice:

1. develop a clear policy statement about the organization's vision and objectives regarding sustainability, including a new purchasing plan with clear priorities
2. involve everyone in the organization in the process
3. set clear, measurable targets for implementation
4. regularly monitor the organization's progress towards achieving the objectives

Sustainable purchasing is an effective tool that helps businesses prevent pollution at the source. It is also an effective way to educate everyone to be responsible. As purchasing affects every phase of the production process, from the extraction of raw materials to waste management, via responsible consumption, an organization's financial and environmental performance can improve because every buying decision has an impact on the economy, the environment and society. Buying "green" products helps suppliers that produce responsible products to realize economies of scale. This reduces their costs and encourages a wider distribution of their product, probably at lower prices. Today's responsible products are produced at low volumes and cost more partly because the market is still small. This should change as demand increases.

Every person and every business needs to be more responsible and change today. Consumers cannot shop the planet out of its problems, but responsible patterns of consumption will help mitigate some issues.

Sources:

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