



Environmentally Preferable Purchasing Program

Update #1

The goal of EPA's Environmentally Preferable Purchasing (EPP) Program is to make environmental performance a factor in Federal government purchasing decisions, along with product performance and cost.

Environmentally Preferable Purchasing (EPP) promotes Federal government use of products and services that have reduced impacts on human health and the environment. Such purchases are required by Executive Order 12873, *Federal Acquisition, Recycling, and Waste Prevention*. The Executive Order also directed EPA to develop guidance to help Federal agencies incorporate environmental preferability into their purchasing procedures.

This update is the first in a series of periodic updates intended to inform other Federal agencies and the public of the EPP Program's activities, progress, and direction. Future updates also will identify upcoming meetings and other events related to the EPP Program.

Status of Guidance

EPA published proposed *Guidance on the Acquisition of Environmentally Preferable Products and Services* in the *Federal Register* on September 29, 1995. The proposed guidance is a framework that identifies key issues associated with environmentally preferable purchasing. Although the guidance focuses primarily on Federal purchasing, EPA recognizes that it also might affect the private marketplace.

The publication of the proposed guidance was preceded by many months of discussions and negotiations with industry, environmental organizations, Federal agencies, the Office of Management and Budget, the Office of Environmental Policy, and the Office of the Federal Environmental Executive (OFEE). After proposing the guidance, EPA organized a public meeting, held on October 26, 1995, to solicit comments. Approximately 20 organizations attended the meeting, including representatives from Federal agencies, industry, and environmental organizations. Although most participants commended EPA's approach as a good first step, they differed on how EPA should proceed. In addition, as of December 31, 1995, over 100 organizations had provided written comments on the guidance to EPA. Most of the written comments were supportive of the guidance but did not reflect a consensus on any key issues.

At this time, EPA has no plans to "finalize" the proposed guidance. Many of the concepts and principles it contains are currently being tested for their applicability to actual purchasing decisions through pilot projects. The Agency believes further testing will be needed and, until more is learned from these pilots, finalizing the guidance would be premature.



Status of Pilot Projects

EPA believes that lessons learned from pilot projects can provide useful information to guide implementation of the EPP Program over the long term. As a result, EPA's early efforts have relied on pilots to demonstrate the feasibility of the guidance in current acquisition processes. The following pilots have been conducted over the past year:

General Services Administration/ EPA Cleaning Products Pilot Project

The Cleaning Products project pre-dates Executive Order 12873 but fits perfectly within the EPP Program. The U.S. General Services Administration (GSA) and EPA cooperatively identified seven cleaning product attributes that can serve as indicators of a product's environmental performance. Vendors already on GSA's Biodegradable Cleaners/Degreasers Schedule (similar to a product catalog) voluntarily provided information on these attributes for inclusion in the February 1996 schedule.

Federal purchasers can use this information, presented in a matrix form, to make buying decisions. The GSA/EPA pilot project team will assess purchasers' reactions to the information to identify any necessary improvements. Approximately 60 additional vendors have already expressed interest in the schedule. Adding more vendors to the schedule would bring more competition and a wider variety of products available to Federal purchasers. Large, private organizations from outside the Federal sector (e.g., Mobil) have also shown interest in identifying and purchasing environmentally preferable cleaning products. The Economics, Exposure, and Technology Division (EETD) of EPA's Office of Pollution Prevention and Toxics has been leading and managing this pilot.

For additional information, contact Conrad Flessner of EPA at 202 260-3918 or Bob Killough of GSA at 206 931-7527.

GSA/EPA Paints Pilot Project

GSA and EPA have also teamed up to identify key environmental attributes for latex wall paints. Federal consumers can use these attributes to make environmentally preferable purchasing decisions on paints. The EETD team responsible for the cleaning products pilot project is leading this pilot as well.

For additional information, contact Conrad Flessner of EPA at 202 260-3918 or Laura Davis of GSA at 206 931-7881.

Department of Defense/EPA Construction Pilot Project

This pilot project examines environmental preferability in the context of parking lot renovations at the Pentagon in Washington, DC. In contrast to the GSA/EPA cleaning products pilot (which adopts a product focus), this pilot focuses on how government contractors can be encouraged to consider environmental preferability. The contractor selected to perform the renovations will be given a financial incentive to identify and use products that are environmentally preferable. A draft Request for Proposals, which outlined the environmental preferability factors, was published in July 1996 to solicit comments on the adopted approach. In addition to the parking lot renovation contract, a pilot for general interior renovations and alterations is currently being developed with an expected Request for Proposals publication in early 1997.

The lessons learned and product information gained from these pilots may be used in the much larger-scale renovations currently underway at the Pentagon. Thus, the potential spill-over effect of the parking lot pilots will be tremendous.

For additional information, contact Ruth Heikkinen of EPA at 202 260-1803.

EPA and GSA began work on this project intending to build on the success of EPA's Energy Star program by expanding the number of attributes considered in purchases of environmentally preferable computers. This pilot sought direct involvement of industry stakeholders in identifying the key factors for determining environmental preferrability. Despite extensive information about environmental characteristics of computers, agreement on ways to capture this information for use within the Federal purchasing context was difficult to reach. The electronics industry also expressed its interest in maintaining its focus on other Agency initiatives. Although work on this pilot was suspended collaborative efforts between EPA and the electronics industry are continuing under other projects, such as the Common Sense Initiative, Energy Star, and Design for the Environment.

For additional information, contact John Shoaff (EPA) at 202-260-1831.

GSA/EPA Computers Pilot Project

Other Activities in Support of the EPP Program

In addition to its pilot projects, the EPP Program initiated two projects to examine environmental purchasing efforts at other levels of government.

This case study examines the experiences of six state and local governments in implementing environmental purchasing programs. Though most of these programs emphasize recycled-content products (particularly recycled-content paper) rather than products with multiple environmental attributes, the study highlights key issues that these programs faced and the basis for their success. EPA believes that insights from the study will help in the support and implementation of the EPP Program. The report will be available in early 1997.

Case Study of State/Local Governments' Experience in EPP

In cooperation with EPA's EPP Program, the Organization for Economic Cooperation and Development's (OECD's) Pollution Prevention and Control Group initiated a study to examine innovative environmental purchasing programs in a number of OECD member countries, including Belgium, Denmark, France, Germany, Switzerland, and the United States. The primary goal of this project is to identify key issues that cut across national boundaries, such as how environmental purchasing initiatives might affect trade.

International Perspectives

OECD collected information from the countries through a survey, developed through the project steering committee, and in small national meetings. In late July 1996, the EPP Program sponsored a series of small group meetings with key stakeholders—industry, Federal agencies, and environmental organizations to assist OECD in collecting information about environmental purchasing efforts in the United States. Summaries of these meetings will be available in early 1997. Cross-cutting issues raised by meeting participants will be further examined at an international workshop on greener public purchasing in February 1997 in Biel, Switzerland.

Compiling Information Sources

EPA has initiated several additional activities in support of the EPP Program, including the following:

Making environmentally preferable purchasing decisions requires good information. EPA therefore compiled a list of existing information sources describing environmental attributes of products available to U.S. consumers, in both the public and private sectors. While a number of information sources exist, nearly all focus on a single product attribute (e.g., recycled content, energy efficiency). EPA identified the information available and how it is presented (e.g., environmental labels, catalogs, on-line information).

In Fiscal Year 1997, the Agency plans to include environmental labeling standards and criteria developed in other countries in this compilation and will share it with other Federal agencies.

Product Category Seminars

In an effort to identify potential future pilot projects, EPA identified the top 20 categories of products (by dollar amount) purchased by the Federal government. Based on feedback from other agencies, EPA may organize a series of product category seminars that could lead to future pilot projects.

Life-Cycle Assessment and Life-Cycle Costing Tools

One of the seven guiding principles in the proposed guidance encourages the adoption of a life-cycle approach—that is, examining a product's environmental impact along all stages of its life, including manufacturing, distribution, use, and disposal. Life-cycle assessment is a challenging concept to implement, however. Organizations across the nation and the globe are working to operationalize the life-cycle idea. For every life-cycle tool available today, another 10 are under development. While some tools address a single attribute (e.g., energy efficiency), most aim to cover a variety of environmental attributes. The focus of much of the ongoing and past life-cycle assessment work has been on product design, but product purchasers could require additional types of information. EPA continues to monitor developments in the field so that useful tools can be made available to those who want to purchase environmentally preferable products.

PLANS FOR 1997

EPP Program activities planned for 1997 fall into five categories: pilot projects, documentation, outreach, tool development/training, and policy development. Planned activities for each of these categories are described below.

The EPP Program will continue to focus on implementing pilot projects with Federal agency partners. These pilots will apply EPP principles to the acquisition of particular product categories (e.g., paints), as well as testing different approaches (e.g., incorporating EPP concepts into the procurement process, potential use of traditional standard-setting organizations). Launching of additional pilots will be encouraged through:

- **Pilot Challenge Program.** EPA will design a Challenge Program to identify and nurture many innovative ideas and initiatives that exist throughout Federal agencies. A “tool” kit for how to start a pilot project will be developed as a part of the Challenge Program.
- **Product Category Seminars.** EPA will sponsor a series of seminars to bring together environmental and product experts, as well as standard-setting organizations, to identify: (1) key environmental attributes associated with a chosen product category, (2) ways to measure these attributes, and (3) market trends associated with each of the product categories. Information from these seminars can serve as the basis for additional pilot projects.

The EPP Program also has planned outreach activities designed to facilitate information exchange and dissemination, particularly among small businesses that manufacture environmental products.

- **Brochure for Vendors.** Also in collaboration with OFEE, EPA is developing a reference brochure for vendors, especially small businesses, that wish to sell environmentally preferable products to the Federal government. This concise, easy-to-read brochure will contain answers to some of the most commonly asked questions about how to sell goods to the Federal government, as well as a list of procurement contacts at Federal agencies that are significant purchasers of such goods.
- **Environmentally Preferable Purchasing Symposium.** In conjunction with OFEE and the U.S. conference of Mayors, the EPP Program will sponsor a two-day symposium on July 16-17, 1997, in Baltimore, Maryland. The symposium will bring together both the manufacturing sector and Federal agency personnel to introduce them to the principles of environmental preferability. A series of interactive workshops is planned to assist attendees in “greening” Federal purchasing.

Pilot Projects and EPP Documentation

Outreach

Tool Development and Training

Work begun in 1996 to identify existing tools (e.g., sources of environmental information, life-cycle assessment/life-cycle costing) will continue in Fiscal Year 1997. Additional work will take place to identify purchasers' training needs. The GSA/EPA cleaning products team, for example, plans to develop educational and training materials. The next *EPP Update* will provide more detailed information on specific Agency plans.

Policy Development/Resolution of Key Issues

The EPP Program will continue to develop and refine policies and work to resolve key issues affecting EPP. The four issues that will be examined in Fiscal Years 1997 include:

- **Third-Party Certification Programs and EPP.** Certification programs have been among the most active advocates for environmentally preferable products. While their services are typically bought by product producers, their work is oriented toward consumers. The potential role of such programs in advising Federal purchasers has been controversial, with vendors concerned about certification criteria and access to certification.
- **ISO 14000 and EPP.** The International Organization for Standardization (ISO) is best known for setting technical performance and compatibility standards for manufactured products. More recently, it has developed the ISO 9000 series of standards for quality assurance. For the last few years, under the auspices of ISO, experts from over 100 countries worldwide have been working to shape voluntary consensus standards covering such environmental topics as environmental management systems, eco-labeling, life-cycle assessment, and environmental aspects of product standards. Because these standards have the potential to foster or complicate the EPP Program's goals, EPA is monitoring the ISO process.
- **Trade and EPP.** EPA understands that even the best-intentioned preference programs such as EPP can appear to interfere with free trade. The development of environmental product standards by trading partners could serve as a means for Federal agencies to identify environmentally preferable products or could lead to emerging trade-related conflicts. For example, eco-labeling requirements may be viewed as incompatible with the Agreement on Technical Barriers to Trade.
- **The "Green Company" and EPP.** Because identifying environmentally preferable products can be costly, time-consuming, or uncertain, the EPP Program will explore how the concept of the "green company" can be used to help guide Federal purchasing decisions. Key issues include how to identify such companies, for the purposes of the EPP Program, and how to operationalize the concept as an adjunct to the proposed EPP principles.

The EPP Program will be taking an in-depth look at these four policy areas and will develop publicly available issue papers on them. Future updates will provide information on the status of these issue papers.

EPP DOCUMENT REQUEST FORM

Please check the documents you are interested in receiving, complete the mailing information, and fold and return this pre-addressed form to us c/o EPA's Pollution Prevention Information Clearinghouse (PPIC).

- ☐ EPA Guidance on the Acquisition of Environmentally Preferable Products and Services (as proposed in the *Federal Register* on September 29, 1995), 60 FR 50722.
- ☐ Environmentally Preferable Products: Proposed Guidance (Brochure), EPA744-F-94-002.
- ☐ Summary of Comments at the Public Meeting on Proposed Guidance on Acquisition of Environmentally Preferable Products and Services, Final Report, EPA742-R-96-005.
- ☐ A Study of State and Local Government Procurement Practices that Consider Environmental Performance of Goods and Services, EPA742-R-96-007.
- ☐ EPA/GSA Cleaning Products Pilot Project—A Case Study, EPA742-R-97-002.
- ☐ EPA/GSA Cleaning Products Pilot Project—A Fact Sheet, EPA742-F-97-001.

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Please let us know what kinds of specific information you would like to see in future *EPP Updates*. Do you want to know more about EPP tools (e.g., specifications, certifications, contract language)? Do you want to know what's happening with EPP in other countries? Do you have EPP information you wish to share? Please jot down your ideas below and return this pre-addressed form to us.

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