Environmentally sustainable procurement

The Government is committed to reducing emissions and designing waste out of the system through its procurement. You can help by:

- incorporating environmentally sustainable practices into your agency’s procurement strategy and policies
- identifying and prioritising opportunities to deliver environmental benefits, and
- using reporting and monitoring to make sure your strategy delivers results.

For detailed information on how to do this, see our guidance on: Implementing Broader Outcomes

What is environmentally sustainable procurement

Environmentally sustainable procurement means weighing up the effect of goods and services on the environment, over the whole of their life, up to and including their disposal, as well as their cost and quality.

Why choose environmentally sustainable procurement

Government agencies should lead the way by showing how environmentally sustainable procurement can be used to get good outcomes for the environment, as well as the right goods and services.

Using environmentally sustainable practices will also help the Government to transition to a net zero emissions economy, which is one of its priority outcomes.

As a large buyer, your agency can use its influence to encourage suppliers to provide more environmentally sustainable options that can improve environmental outcomes for all of New Zealand.

Basic checklist for environmentally sustainable procurement

Before purchasing any goods or services, make sure:

- you need the item you plan to buy
- you think about the effect the item will have on the environment over the whole of its life. This means thinking about how it was made, how it will be used, and what harm can come from using the item, and what will happen to it at the end of its useful life
- you ask suppliers to provide environmental information
- you give appropriate weighting to the environmental sustainability of the product or service when you set the evaluation criteria for your procurement.

For more information, see the following principles.

Principles of environmentally sustainable procurement

Following these principles can help you make procurement decisions that reduce emissions and waste:
1. **Buy only when there is a genuine business need** - The best thing you can do to reduce emissions is to stop buying goods and services you don’t need. This will also save your agency money and free up limited government resources to deliver better public value for New Zealanders.

2. **Buy low or no emission options** - For example using video-conferencing for meetings with people outside of your region, instead of flying to meet them.

3. **Conserve resources**:
   - **Think twice before buying new** - think about whether good quality second-hand or refurbished products could meet your agency’s needs just as well.
   - **Think about the way things are made** - buy products that take less energy, water and resources to produce, transport, and use, and help reduce emissions and waste.
   - **Think about the packaging** – buy products that either don’t need packaging, or use recycled or recyclable packaging.
   - **Think about what you’ll do with a product once you’ve finished with it** – buy products that are easy to take apart, recycle and dispose of in environmentally friendly ways.

4. **Use energy and water wisely**
   - **Buy products that run on renewable and low-emission energy sources** – buy products that run on renewable energy sources, like electricity, instead of those that run on fossil fuels and other high emission energy sources.
   - **Use energy efficiently** – try using energy at off-peak times, for example charging your electric vehicle outside of business hours. This can reduce pressure on the electricity grid and on high-emission times.

5. **Evaluate value and performance**
   - **Buy good quality products** - buy items that perform well, are hard wearing, will last longer and are good value. Remember, you need to take into account the effect of an item on the environment of the whole of its life when evaluating its value.
   - **Buy goods and services that comply with recognised environmental standards** – checking for labels and certifications can help you do this. Remember to ask suppliers for environmental information too.
   - **Buy products that support good outcomes** - buy goods and services that can help achieve one or more broader outcome.

**Broader outcomes**

**Specifying requirements for environmentally sustainable procurement**

When it’s relevant to do so and it aligns with your agency’s strategy for broader outcomes, build environmental standards into your procurement activities.

**When buying a light vehicle**

If you need to buy a light vehicle, check your agency’s performance on the vehicle emissions dashboard first. You can use this reporting to make sure your requirements reflect that you need to buy a vehicle with an emissions profile that’s 20 per cent lower than your agency’s current fleet average.

For more information, see:

*Reducing government fleet emissions*

**When buying a stationary heating system**

Government agencies need to buy low emissions systems, and not coal boilers.

For more information, see:

*Reducing emissions from stationary heating*
When thinking about your energy options
Your first step should be to start measuring your annual energy use. You can then use this information to help you identify opportunities to improve your energy efficiency. Next, think about other ways you can reduce emissions. This could mean using electricity for your heating instead of wood fuels, or replacing vehicles that run on petrol or diesel with electric vehicles.

The Energy Efficiency and Conservation Authority (EECA) provides practical advice, support and funding to help you make the most of your energy use:

If your agency is a large energy user, you can work with directly with EECA to understand your energy use and make more environmentally friendly decisions. If your agency is a smaller user, it can work with one of the energy management service providers that partner with the EECA.

For more information about EECA and its partners, see:

- EECA business
- EECEA’s Programme Partner directory

When buying office supplies
The best thing you can do to reduce waste from office supplies is to buy and use less.

For more information, see:

Reducing waste from office supplies

For other buying decisions
Consider using marks, labels or certifications that identify goods or services that conform to specific sustainability standards to help inform your requirements. This can include technical standards that might be public or private, national, regional or international. For example, Environmental Choice NZ, Fair Trade or specific product labelling, such as the Forestry Stewardship Certification for wood and paper products.

Use only the parts of the technical and sustainability standards that are relevant to your agency and your procurement. Using this approach means that your agency can buy any goods and services that meet these standards and not just those that have formal sustainability marks, labels or certifications.

It’s important not to apply technical specifications in a way that creates unnecessary obstacles for suppliers. This means you can’t require or refer to a particular trademark, tradename patent or type.

For more information, see:

Rule 27: Technical specifications

Making sure suppliers deliver on environmental outcomes
Rule 20 requires agencies to monitor contracts in designated areas, such as light vehicles, stationary heating, and office supplies, to make sure that commitments to reduce emissions and waste are delivered and reported on.

It’s a good idea to include clauses in your tender documents and contracts to help you to do this.