



Environmental Purchasing Code

1. Purpose

The purpose of this code is to provide a purchasing framework that will advance the sustainable use of resources and reduce impacts on the environment and human health. The City of Darebin will demonstrate to the community our purchasing decisions can enhance ecological sustainability, be resource responsible and improve markets for environmentally preferred products. The City of Darebin will purchase local recycled and environmentally preferred products when they perform satisfactorily and represent value for money.

2. Guiding Principles

In selecting goods and services, the City of Darebin has chosen to define guiding principles of the highest environmental standards – that is principles that strive for zero environmental damage described in 2.2 below. The City of Darebin acknowledges that zero damage will be difficult to achieve (especially in the short-term) but in setting guiding principles that act as ‘stretch goals’ we seek to:

- emphasise our serious commitment to sustainability and a healthy environment
- encourage continual improvement in our operations and
- achieve the best possible environmental outcomes.

2.1. The Council Plan

Environmental Sustainability is one of the six key strategic objectives identified in the current City of Darebin *Council Plan (2009-2013)*. Under these key objectives there are a number of specific commitments relevant to environmental purchasing:

- We will be innovative in our leadership, and ensure through formal structures, policies and practices that our promise to the community is honoured, and our goals can be achieved.
- We will place the protection and improvement of the environment at the heart of our decision making in policy, service delivery and regulatory design.
- We will reduce the environmental impact of our own operations through a reduction in energy use and greenhouse gas emissions, water consumption and waste generation and
- We will undertake long term planning to ensure our municipality continues to function effectively in the face of the impacts of climate change and peak oil.

2.2. The Environment Policy & Key Environmental Strategies

Darebin's Environment Policy states that Darebin Council will aim for its own operations to be ecologically, socially and economically sustainable and that it will be a sustainability promoting organisation within the Darebin community and further a field.

The Policy identifies a number of Stretch Goals that provide the guiding framework for more immediate targets, management and action:

- zero pollution

- zero waste
- zero habitat destruction
- zero climate damage
- zero soil degradation

Immediate environmental targets and management actions are developed in the following key Darebin strategies which are relevant to procurement:

- Climate Change Action Plan (both corporate and community) which require the purchase of GreenPower for council managed facilities and that new Council buildings are designed for zero net emissions.
- Draft Climate Change and Peak Oil Adaptation Plan which looks to increase Council's resilience around these issues and reduce reliance on oil and energy intensive products.
- Sustainable Water Strategy and its components: including the Stormwater Management Plan and Sustainable Water Use Plan which look to reduce potable water use by Council and improve water quality outcomes.
- Waste Management Strategy which looks to reduce consumption and waste to landfill, increase recycling and sets a target to increase Council spending on goods assessed as having environmental benefit.
- Darebin ESD Requirements, sustainable design for council buildings, which includes checklists, mandatory equipment performance measures and materials for different building processes.
- Biodiversity baseline report and draft Weed Management Strategy which look to improve biodiversity outcomes.
- Transport Strategy (and components) which looks to promote sustainable travel options and
- Draft Sustainable Public Lighting Plan.

2.3. The Procurement Policy

This Code is referenced in the Darebin City Council Procurement Policy and Guidelines which sets out the key policies and principles forming the framework for procurement at Darebin.

3. Role of the Environmental Purchasing Code

Within the above policy context, the role of this Environmental Purchasing Code is to:

1. Complement existing policy, such as the Procurement Policy, and clarify the purpose, principles, objectives, responsibilities and necessary programs in order to facilitate the purchasing of environmentally preferable goods and services.
2. Ensure that the intent of this code is observed across all of Council's purchasing activities. This code seeks to ensure that all staff who make purchasing decisions have access to information that ensures environmental considerations can be easily incorporated into the decision-making process.

4. Environmental Purchasing Goals

By use of this code Council aims to:

- Eliminate unnecessary purchasing
- Reduce its impact on the environment

- Protect and improve the environment
- Reduce its impact on human health and
- Contribute to progress towards sustainability

Our goals include:

Minimum Unnecessary Purchasing

Purchases shall only be made once it has been determined that the product or service is necessary.

Minimum waste

Purchasing decisions shall be made in the context of the waste hierarchy to avoid, reduce, reuse and recycle.

Avoid

- Identifying ways of carrying out a function or task without using materials that generate waste. An example is sending information electronically instead of on paper.

Reduce

- Purchases that reduce the use of materials will be favoured, for example bulk purchases that reduce packaging or printers that print double sided.
- Improved planning to ensure that goods purchased match the requirements of Council and avoid excessive amounts of materials or goods poorly matched to requirements.

Reuse

- Using the same item more than once and extending the useful life of products and equipment through appropriate maintenance and repairs rather than replacing an item.
- Ensure purchases are durable, have a long service life and are easy to maintain and upgrade.

Recycle

- Purchase products that are recycled or re-manufactured or contain recycled materials (eg: concrete, paper notepads, office chairs)
- Purchase products that can be recycled or re-manufactured at end of life (eg: paper, office furniture, electrical appliances).
- Purchase products from companies who actively and support recycling of their products – especially via active participation in a recycling scheme (eg: computer and electronic manufacturers)

Minimum Climate Damage

- Purchase energy efficient products and materials by checking that the energy rating and efficiency features, consider life cycle costs.
- In addition to operational energy performance, consider the energy requirements of a product during its production, transportation and eventual disposal.
- Purchase materials and products that are free of toxic or polluting materials.

- Reduce reliance on fossil fuels and fossil fuel dependent products eg: asphalt, plastics; and purchase renewable energy.
- Purchase goods that have not been transported long distances.

Maximum Water Efficiency

- Purchase products that conserve water or use water in the most efficient way (eg: highest WELS (water efficient labelling system) rating for appliances and fittings).
- Ensure products have no polluting impact on waterways or groundwater (eg: nutrient run off of fertilisers, cleaning fluids for graffiti removal)
- Consider the water requirements of a product during its production or its life cycle – purchase products with lower water footprints
- Consider the potential to use non-potable water sources with the product
- Consider the potential to re-use water with product (eg: water recirculation, greywater reuse)

Minimum Habitat Destruction

- Purchase paper and wood products obtained from recycled, sustainably managed plantations, salvaged or renewable sources.
- Avoid the purchase of products that threaten the preservation of biodiversity.

Minimum Pollution

- Purchase products and materials that will not release toxic substances that can pollute water, land or air at any stage of their life cycle.

Minimum Soil Degradation

- Purchase products, materials and services that will not degrade or pollute the soil, or result in erosion through their use.

5. Value for Money

Purchasing decisions will be made on the basis of value for money, rather than just the cheapest up-front purchase price. It is recognised that in some cases the selection of environmentally preferable products and materials may be less competitive but may represent the best value for money when environmental impacts and/or the operational costs of a purchase are taken into consideration.

Publicly tendered projects which use weighted criteria should consider specific environmental criteria where relevant, although in many cases mandatory environmental requirements will be included in specifications.

The lifecycle costs of water and energy using appliances should also be considered when assessing costs. Upfront costs may be offset by energy/water/maintenance costs over its lifetime.

Any extra costs which would also be incurred throughout the lifetime of a product (eg: increased disposal costs for non-recyclable) should be considered in the cost assessment.

6. Implementation

In order to achieve the goals of this code the City of Darebin will:

- A. Review quality, environment and purchasing criteria on a yearly basis.
- B. Review the capital works application process for compliance.
- C. Continue a staff education program for the implementation of this code.
- D. Require its contractors and consultants to comply with this code.
- E. Ensure that staff have access to information on environmentally preferred products.
- F. Conduct monitoring and reporting on the implementation of this code through participation in EcoBuy.
- G. Progressively ensure that all purchasing specifications, tender documentation and consultants briefs and contracts comply with this code.
- H. Actively promote environmental purchasing to the community.

7. Responsibilities

The Environmental Strategy Unit will be responsible for coordinating and supporting the implementation of this code. To do so the Environmental Strategy Unit will collaborate closely with the Financial Services Branch in order to:

- A. Co-ordinate an Environmental Purchasing Team (EPT) to develop systems and training that support the effective implementation of this code.
- B. Share information and seek input from the Environmental Action Team.
- C. Prepare an annual Action Plan for the development and implementation of the Sustainable Purchasing Policy and ECO-Buy program
- D. Include green specifications in all tender documentation, consultants briefs and contract review
- E. Develop in consultation with the EPT, monitoring and reporting procedures that measure the level of compliance with this code and investment in recycled and environmentally preferable products.
- F. Further develop systems to track and record all purchasing of environmentally preferred products
- G. Inform departments of their responsibilities under this code and provide departments with information about environmentally preferable products and specifications within one year.
- H. Provide an annual report to Council on sustainable purchasing and sustainable purchasing initiatives

8. Encouragement of Local Business and Consideration of the Environment

- The Procurement Policy and the Environmental Purchasing Code ensure that environmentally preferable products that are locally sourced and represent value for money will be highly regarded by purchasing decision makers.
- Buying locally produced goods and services often has a significant environmental benefit due to the reduction of energy required for transport.
- Council staff will communicate effectively with suppliers, contractors and consultants regarding the intent of this code and provide feedback to local suppliers to encourage improvement in terms of the environmental impact of their products/services and/or their company track record.

9. Responsible Corporate Citizenship

The City of Darebin acknowledges that the environmental impacts of purchasing decisions are not limited to the particular product or service in question. The current practices of supplier companies will therefore be taken into consideration when making purchasing decisions.

The City of Darebin will seek to purchase materials, products and services from companies whose practices do not directly conflict with the principles of ecologically sustainable development. For example, companies or wholly owned subsidiaries who do not engage in:

- The clearfelling or woodchipping of Australian native forests or
- The clearfelling of vulnerable forest habitats of other nations (eg tropical rainforests).

Products, services and materials that are sourced from companies that demonstrate commitment to sustainability and quality will be highly regarded. Suppliers may demonstrate commitment to sustainability and quality by:

- Having an accredited environmental management system
- Having a documented waste reduction strategy and/or greenhouse reduction plan.
- Participating in a recognised industry or other recycling program
- Meeting the relevant quality standards for a particular product or service.
- Being listed in Sustainability Victoria's Waste Wise Shopping Guide or the EcoBuy Green Products and Suppliers list
- Having a good track record for quality and environmental performance
- Being licensed under an independent eco-labelling system
- Participating in accredited carbon offsetting program.

10. Acknowledgements

This code has been adapted from a number of existing policies and documents.

Thanks and recognition is given to:

Libby Chaplin, Arcadian Solutions

Maroondah City Council

City of Port Phillip

Department of the Environment, Transport and the Regions Energy,

Environment and Waste Directorate, United Kingdom

City of Darebin, Environmental Action Team

11. Definitions

Carbon Neutral means emitting no net greenhouse gases. After reducing energy use as much as possible, using energy as efficiently as possible and then switching to renewables any residual emissions are then offset.

Energy efficient products or facilities use less energy than typical products or facilities to provide a given energy service or level of activity.

Environmentally Preferable Products are products that have less of a negative impact on human health and the environment than competing products and services that serve the same purpose. This comparison may consider the source of raw materials, production, manufacturing, packaging, distribution, potential for reuse and recycling, operation, maintenance or disposal of the product.

Greenhouse effect is the rise in temperature that the Earth experiences because certain gases in the atmosphere (greenhouse gases) trap energy from the sun. Without these gases, Earth's average temperature would not be warm enough for humans to live. Global warming and climate change are the result of a buildup of greenhouse gases in the atmosphere, and could result in serious environmental damage. Greenhouse gases are produced from the burning of fossil fuels, land clearing, emissions from landfills and other sources, including the manufacture, use and disposal of products.

Greenhouse friendly products are products that create less greenhouse gas emissions at one or more stages of their life cycle than competing products and services that serve the same purpose.

Post-consumer is material generated by households or by commercial, industrial and institutional facilities in their role as end users of the product, which can no longer be used for its intended purpose. This includes returns of material from the distribution chain.

Pre-consumer is material diverted from the waste stream during the manufacturing process. Excluded is re-utilisation of materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process that generated it.

Recycled Materials are materials that have been reprocessed from recovered material by means of a manufacturing process and made into a final product or into a component for incorporation into a product.

Recycled Products are made from materials that have been recovered, processed and used as a raw material for the manufacture of a useful new product through a commercial process. These products will contain a specified percentage of material that would otherwise have been disposed of as waste.

Re-manufactured means to renew or restore a used product into its original form or into a useful new product through a commercial process.

Value for Money is the identification and inclusion of all direct and indirect costs associated with a particular product or material in relation to quality and capacity to meet the required needs. This includes the initial cost of purchase, length of warranty, cost of operating the product, anticipated maintenance and repair, and the

direct and indirect costs associated with disposal or removal of the product at the end of its useful life.