Green Community through Green Procurement

- material and product for building life cycle -
Green Community is an interconnected coalition of people and organizations promoting eco-conscious lifestyles.*

Sure do! After coffee I’m going to drop the kids off at my mom’s and head to the store to pick up some CFL light bulbs, a new lower-energy TV, another energy-star fridge for the garage, a hybrid SUV, some new organic cotton clothes and some fair-trade makeup. Then I’ll pick up the kids and take them to the toy store to pick out some bpa-free toys. I’ll really be helping the earth a lot!!

It’s Earth Day! D’ya have any plans?

“IT’s Earth Day! Spend Time not Money!” (c) Joe Mohr

(*) http://www.communitygreen.org/Community_Green.org/Welcome.html
The whole building life cycle will always need material/product procurement
Based on UNEP research, 13% to 18% building carbon footprint is from building material.

Sumber: UNEP/GRID Arendal
Sustainable development is a development in which present generations find ways to satisfy their needs without compromising the chances of future generations to satisfy their needs. (The World Commission on Environment and Development Brundtland Commission, 1987).

Sumber: Inclusive Design: Designing and Developing Accessible Environments
Green Procurement

is a process whereby organizations meet their goods, services, works and utilities in a way that achieves value for money on a whole business in terms of generating benefits to society and economy, whilst minimizing damage to the environment (procuring the future, June 2006)

Environment + Price + Performance

Go Green
Supporting Factors

Information and Education
Promoted by media, NGO, CBO, academic institution

Policy and Regulation
Promoted by government (Lembaga Kebijakan Pengadaan barang dan Jasa Pemerintah)

Research and Technology
Promoted by academic institution, research centre both in house or independent

Green Procurement
Green Procurement Regulation

Didalam pasal 105 Perpres no 54 tahun 2010 tentang pengadaan barang/Jasa pemerintah disebutkan bahwa:

(1) Konsep Ramah Lingkungan merupakan suatu proses pemenuhan kebutuhan Barang/Jasa Kementrian/Lembaga/Daerah/Instansi sehingga keseluruhan tahapan proses pengadaan tidak hanya memberikan manfaat untuk K/L/D/I tetapi juga untuk masyarakat dan perekonomian dengan meminimalkan dampak kerusakan lingkungan.

(2) Konsep Pengadaan Ramah Lingkungan dapat diterapkan ke dalam Dokumen Pemilihan berupa persyaratan-persyaratan tertentu yang mengarah pada pemanfaatan sumber daya alam secara arif dan mendukung pelestarian fungsi lingkungan hidup sesuai dengan karakteristik pekerjaan.”

Target:
- Ministry
- Public Institution
- Central and Local Government
- Public Agency
Green Procurement Regulation

Based on Regulation...

“Konsep Ramah Lingkungan merupakan suatu proses pemenuhan kebutuhan Barang/Jasa Kementrian/Lembaga/Daerah/Instansi sehingga keseluruhan tahapan proses pengadaan tidak hanya memberikan manfaat untuk K/L/D/I tetapi juga untuk masyarakat dan perekonomian dengan meminimalkan dampak kerusakan lingkungan.”

The Benefits are...

Support the companies that provide goods or services with fewer environmental impact

Create a scale effect for the price of green product.

Send a message both for private sector and wider society that consumer will recognize their environmental effort.
Forming the community...
Why Private Sector do Green Procurement

The reasons ...

- Number of private firms more than the government agencies
- Private firms also looking at the materials and chemicals that they buy to make their product and services (supply chain approach)

Supply Chain of Prefab Floor

1. Gravel
2. Sand
3. Cement
4. Water

Flowchart:
- Mixture
- Molding
- Whole-saler
- Assembly on Site

Concrete Floor Elements
Why Private Sector do Green Procurement

The benefits ...

Save money by conserving energy, fuel, water, workmanship

In line with environmental regulation by also supporting the manufacturer or supplier that compliance with environmental regulation

Improve Health by choosing non toxic content material

Improve Image by promoting sustainable procurement
How to start green procurement

1. **Environmental Audit**
   - Analyze the company’s activity and the environmental impact

2. **Establish Policy Statement**
   - Develop policy which gives priority in green product procurement

3. **Establish GPP Team**
   - Establish GPP team to implement green procurement agenda

4. **Develop GPP Goals**
   - Develop GPP goal including output and outcomes

5. **Obtain wide Support**
   - Obtain wide support through raising awareness about GPP in whole company
How to select *green* product

Company will give priority to material or product which reduce the environmental loads
Liability of Supplier

How to select green product

Company will aim to provide equal business opportunities and give priority to suppliers who are carrying out environmental conservation activities.
The Strategy...

Green Procurement does not always mean buying greener product but means buying less.

Renting system can be a solution because:
- Economic benefit → free initial cost and disposal cost
- Environmental benefit → reduce consumption

Analyzing the needs

Need / Not Need Decision

N

No Procurement

Y

Procurement Process

Purchase / Rent Process

Renting Process

Purchasing Process
The Strategy...

Starts with the small range of product and service in conditions:
→ Consider the availability of the product
→ Consider the cost of environmentally superior alternatives
→ Consider the environmental data of the product
Green procurement is a way to raise awareness of wider society about environmental consideration in consumption activities.

Green procurement is a way to use our power as a consumer in buying material product that has less environmental impact in order to change the market.

Private sector also has significant role to change the market through green procurement because its supply chain and they cover wider society.
Living in cooperation with nature wasn't a matter of choice; it was a matter of survival.