



Focus On Government Purchasing

Federal, state, and local government purchasing accounts for nearly 20 percent of the U.S. Gross Domestic Product. The federal government spends more than \$200 billion a year, and state and local governments combined spend more than \$1 trillion each year, on products and services. Government officials can use this enormous purchasing power to stimulate the market for environmentally preferable products and spark innovation that creates new markets, offering producers early economies of scale, lower unit costs, and lower risks.

The government has had success using its purchasing power to stimulate new markets. In the 1970s, automobile manufacturers failed to offer cars equipped with air bags, despite the fact that the technology to do so already existed. In 1984, the General Services Administration—the federal government's central purchasing agency—ordered 5,300 airbag-equipped automobiles. After it filled the order, Ford began offering air bags in several models and other companies soon followed. Air bags are now standard in all automobiles. Similarly, the government can stimulate the market for products that conserve our forests.

Wood Consumption

Society's rising demand for wood products drives the logging and destruction of the world's forests. The United States consumes more than its fair share: with only 5 percent of the world's population, Americans consume 20 percent of the world's wood. Scientists project a 50 percent increase in U.S. wood consumption by 2040.

As consumption increases, so does the loss of natural forests—only one-third of the world's natural forest cover remains. Although most Americans want to see old-growth forests protected, only 4 percent of the U.S. old-growth forests are still intact. Healthy, naturally evolving forests

are invaluable to the earth's well-being.

Deforestation leads to:

- species extinction;
- biodiversity loss (and the resulting disappearance of potential medicines);
- erosion, which can contaminate water supplies;
- destruction of homes (currently, there are 500 million forest dwellers); and
- global warming.

Government agencies purchase a plethora of wood products: copy paper, envelopes, file folders, calendars, notebooks, napkins, paper towels, furniture, pallets, and building products. The federal government alone buys more than 20 billion sheets of copier paper a year—over 10 million sheets of paper are used every work hour of every working day.

Solutions

Government agencies can reduce demand for wood products by using wood efficiently, reusing wood products, recycling, purchasing alternative products made from recycled or agricultural fibers, and when virgin wood must be used, ensuring that it is certified by the Forest Stewardship Council (FSC) as coming from a well managed forest.

Massachusetts Goes Green

In 1997, the Commonwealth of Massachusetts spent \$33.5 million on recycled content products, (up from \$7.3 million in 1994). State officials estimated that their purchases of 62,000 cases of copier paper with 20 percent post-consumer content saved 6,300 trees, as well as conserving water, landfill space and energy. In 2000, Massachusetts increased its purchase of recycled content products to over \$40 million. Massachusetts also pursues "green" building initiatives, requiring designers of state-owned buildings to maximize resource efficiency, use recycled content products, and eliminate the use of endangered wood species.

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What The Government Has Done

The Resource Conservation and Recovery Act of 1976 required the Environmental Protection Agency (EPA) to designate recycled products and recommend practices for buying these products, but it had no mandatory purchasing requirements.

President Bill Clinton's 1993 Executive Order 12783 required federal agencies to purchase recycled products, including copy paper with 20 percent post-consumer (pc) content, when they were comparable to virgin counterparts in availability, performance and price. As a follow up, his 1998 Executive Order 13101 eliminated the loopholes for availability and price, requiring copy paper purchased to contain 30 percent pc content when available, and mandated at least 20 percent pc content in all purchases.

Accomplishments

Today, compliance in the federal government with the 30 percent pc standard for copier paper is 98 percent, up from a mere 12 percent in 1994, saving 400,000 trees a year. Federal agencies and government contractors now buy more than 50 types of recycled content products daily and spend more than \$350 million on recycled products per year.

State and local governments have also made progress. In 1986, only 13 states and a handful of local governments had significant "buy recycled" laws. By 1998, 47 states and more than 500 local governments had legal requirements to buy recycled content products.

Alameda County's Success

In just a few years, Alameda County, CA's total purchases of recycled content products increased tremendously, from less than \$300,000 in FY 1991/92 to more than \$2.5 million in FY 1996/97. Alameda County also publishes fact sheets about recycled products, encourages suppliers and manufacturers to replace virgin materials with recycled content, and hosts monthly luncheons for architects and contractors on sustainable design and construction practices.

What Is Still Needed?

Enforcement

Government agencies often do not have adequate systems for tracking their purchases, making it difficult to determine compliance with procurement policy. If procurement is not coordinated through a centralized office, purchasing data should be collected centrally to ensure that procurement regulations are met. Some agencies are also not effectively educating procurement officials about the requirement to buy recycled content products. Moreover, some state "buy recycled" laws contain loopholes that allow agencies to continue buying virgin paper. State agencies should adopt policies mandating recycled content in all paper purchases, eliminating loopholes.

Green Building

The federal government alone operates half a million buildings. Government buildings should be constructed and renovated in ways that substitute, minimize or optimize wood or use wood products that are reused, recycled, or certified by the Forest Stewardship Council. Green building methods include using reclaimed wood, or agricultural fiber-based alternative materials, and minimizing wood waste.

Packaging

Packaging products purchased by the government should be recycled, returnable, refillable, or reusable in order to minimize wood consumption. Oregon's 1998 Executive Order, for example, denotes that state purchasing policies should "reflect a preference for minimal packaging which can be returned to the vendor."

Pallets

Fifty percent of the hardwood timber cut in the United States is made into pallets that are often used once and then landfilled. The government is a big consumer of pallets with the U.S. Postal Service and military outposts spending millions on pallets. Pallets should be reused, recycled, or replaced by non-wood products. By reusing pallets, one agency within the Department of Defense realizes annual savings of \$2 million in disposal costs and \$1 million in purchasing costs, as well as saving hundreds of trees per year.

Massachusetts saves 6,300 trees a year by buying 62,000 cases of paper with 20 percent post-consumer content.
