

Across the government, environmentally preferable purchasing practices are known by a variety of titles including Affirmative Procurement and Green Procurement. Environmental preferable purchasing relies on the consideration of several factors, including energy use, conservation of resources, price, and safety. In Fiscal Year (FY) 2004, the Department of Defense (DoD) established a formal green procurement program (GPP) to encourage DoD Components to purchase environmentally preferable and biobased products. As the largest federal buyer of goods and services, DoD strives to ensure that every procurement meets the requirements of all applicable federal green procurement preference programs.

The drivers behind DoD's GPP include Executive Order (E.O.) 13101, entitled "Greening the Government through Waste Prevention, Recycling, and Federal Acquisition," Section 6002 of the Resource Conservation and Recovery Act (RCRA), and Section 9002 of the 2002 Farm Security and Rural Investment Act (hereafter Farm Bill). E.O. 13101 furthered the goals of the Federal Environmental Executive, part of the White House Task Force on Waste Prevention and Recycling that ensures that all federal agencies comply with the E.O. 13101 requirements. RCRA Section 6002 established the Affirmative Procurement Program, which requires federal agencies to purchase recycled-content products. Additionally, the Farm Bill created the Federal Biobased Products Preferred Purchasing Program, which requires federal agencies to purchase biobased products that fall within designated item categories. These drivers ensure that DoD's GPP will increase the purchase of items composed of recycled, recovered, and biobased materials to the maximum extent possible.

The purpose of the GPP is to enhance and sustain mission readiness through cost-effective acquisition that achieves compliance and reduces resource consumption and solid and hazardous waste generation. DoD's GPP objectives as defined in the DoD GPP Policy are to:

- Educate all appropriate DoD employees on the requirements for federal "green" procurement preference programs, their roles and responsibilities relevant to these programs and DoD's GPP, and opportunities to purchase green products and services
- Increase purchases of green products and services consistent with the demands of mission efficiency and cost-effectiveness, with continual improvement toward federally established procurement goals
- Reduce the amount of solid waste generated
- Reduce consumption of energy and natural resources
- Expand markets for green products and services.

DoD's GPP applies to all acquisitions, from major systems programs to individual unit supply and service requisitions. Products and services included in DoD's GPP are office products, printing services, fleet maintenance products, traffic control, park and recreation services, appliances, building construction, renovation, and maintenance. These products and services are addressed in one or more of the following components of the federal green procurement preference program:

- Recovered material
- Environmentally preferable materials
- Energy efficient products
- Biobased products
- Alternative fuels and fuel efficiency
- Non-ozone-depleting substances.

The GPP encompasses many federal procurement preference programs with diverse management practices, however, the framework used for the GPP is the same basic framework of an environmental management system. This framework consists of policy, planning, implementation and operation, checking and corrective action, and management review. DoD uses this

framework to place orders, make purchases, and establish contracts for products and services.

Over the past year, DoD worked to expand the GPP purview by partnering with several other federal agencies. For example, in FY2005, DoD along with 11 other federal agencies signed the Federal Electronics Challenge Memorandum of Understanding to promote the implementation of environmentally preferable, energy-efficient, and cost-effective practices when buying, using, and managing the life cycle of electronic assets. Currently, ten DoD installations have become partners of the Federal Electronics Challenge Memorandum of Understanding.

### Green Procurement Program Metrics

DoD has identified several metrics to measure progress towards DoD's goal of 100 percent compliance with federal green procurement goals. GPP metrics continue to be updated and revised to encompass revisions to E.O. 13101 and Section 9002 of the Farm Bill. The DoD GPP metrics established the baseline year to review and monitor green procurement performance trends, including:

- The percent change in codes from the individual contracting action report
- The percent increase of purchases of federally defined indicator items
- The percent increase of contracting personnel trained in green procurement.

DoD evaluates its progress on compliance with RCRA Section 6002 by using the reporting process established by the Office of Federal Procurement Policy, in conjunction with the Office of the Federal Environmental Executive. The individual Components' data are compiled for inclusion in the DoD RCRA 6002 Report.

Additionally, the Office of Management and Budget (OMB) created a scorecard to measure the progress attained by each agency in the areas of environment, energy, and transportation. The OMB scorecard tracks how well agencies are executing management initiatives and where they stand against the overall standards for success through the use of a "traffic light" grading system—green for success, yellow for mixed results, and red for unsatisfactory. As of July 1, 2006, the OMB environmental stewardship scorecard gave DoD a green and yellow status for overall progress and current status, respectively.

## Environmentally Preferable Product Procurement

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Section 314 of the FY2003 National Defense Authorization Act (NDAA) requires DoD to develop and implement a system for tracking Defense Logistics Agency (DLA) procurements of environmentally preferable items and to report on the results from the tracking system annually from 2004 through 2007. This report provides background on the development, capabilities, and limitations of the tracking system known as the Environmental Reporting Logistics System (ERLS), along with data on purchase requests by customers through the DLA supply system between FY2003 and FY2006.

### DLA-Managed Environmentally Preferable Products

The National Stock Number (NSN) items in the Federal Catalog System (FCS) that are considered environmentally preferable, or "green," have been designated as such on the basis of environmental attributes defined by the Joint Group on Environmental Attributes (Joint Group). The Joint Group is responsible for selecting, evaluating, and approving proposed attributes for inclusion in the FCS on the basis of regulatory or policy priority, availability of a technical definition, and evidence of cost benefit. The Joint Group does not create its own attribute descriptions; rather, it uses specific definitions and criteria provided by governing bodies and/or recognized standards-setting organizations.

As chair of the Joint Group, DLA, along with the Army, Navy, Air Force, Marine Corps, and General Services Administration, are voting members; the U.S. Department of Agriculture, the Department of Energy, and the Environmental Protection Agency act as advisors. The current list of environmental attributes includes:

- Comprehensive Procurement Guidelines for items with recycled content
- Energy efficient
- Water conserving
- Low volatile organic compounds
- Asbestos alternative
- Low standby power
- Non-mercury alternative
- Biobased.

This set of attributes reflects the federal procurement preference mandates established in E.O. 13101, RCRA Section 6002, and Section 9002 of the Farm Bill. Each item determined to conform to one of the environmental attributes is identified in the FCS with an alphanumeric code known as an Environmental Attribute Code.

## Environmental Reporting Logistics System

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In November 2003, DLA enhanced an existing system, the ERLS, with a Web-based Green Procurement Reporting capability to meet the requirements of FY2003 NDAA, Section 314. The ERLS captures DLA transactions daily from a variety of ordering systems and compiles the requisitions records. This information includes NSNs identified as “green” in the FCS and their non-green counterparts, to calculate the dollar value of green and non-green requisitions. Figure W-1 provides the dollar value for DoD requisitions of DLA-managed green products for FY2003 through FY2006, organized by environmental attribute. The “Percent Green” column reflects the overall green procurement performance for DLA-managed products. Accurate interpretation of this data requires several points of clarification that include:

- All percentage values are based on DLA’s compilation of green and non-green counterpart products.
- Percentage values less than 100 percent do not necessarily indicate customers are not choosing to purchase a green product. In some cases, use of green products is precluded by mission requirements or lack of reasonable availability of green products.
- ERLS data reflects customer demand for DLA-managed items (typically requisitions from customers for DLA to purchase products), not the products DLA purchases to meet customer demand, nor what a customer purchases through sources of supply other than DLA.
- ERLS was established to track requisition data rather than actual sales, since requisitions reflect a customer’s intent to purchase green versus non-green products. However, ERLS has evolved with DLA’s implementation of Business System Modernization, and the data fed into the system now reflects sales instead. For most green products, this transition occurred during FY2006.

The FY2006 green totals show an increase compared to previous years. Overall, orders for re-refined lubricating oil and reclaimed engine coolant continue to drive the program in terms of dollars. Numerous deployments and contingencies throughout the world have maintained a high demand for these products, and DLA buyers have been striving to meet the need with recycled content products as market forces allow.

**Figure W-1**

DLA-Managed Environmentally Preferable Products FY2003 to FY2006

Attribute and Product	FY2003 Total	% Green	FY2004 Total	% Green	FY2005 Total	% Green	FY2006 Total	% Green
<b>Comprehensive Procurement Guideline Products</b>								
Pallets	\$15,939	100.00%	\$31,219	100.00%	\$16,825	99.93%	\$32,283	100.00%
Remanufactured Toner Cartridges	\$445,682	100.00%	\$217,523	100.00%	\$73,536	91.58%	\$61,419	100.00%
Printing and Writing Paper	\$94,134	100.00%	\$1,375	100.00%	\$28	100.00%	\$711	100.00%
Lubricating Oil Containing Re-refined Oil	\$9,242,879	60.58%	\$6,294,901	85.06%	\$6,154,288	79.86%	\$22,526,109	53.64%
Reclaimed Engine Coolant	\$6,486,376	95.08%	\$3,334,731	97.50%	\$2,142,364	97.23%	\$4,140,061	91.99%
<b>Energy Efficient</b>								
Ice Machines	\$54,356	†	\$47,005	†	\$19,241	†	\$13,336	†
Exit Signs	\$142	†	\$3,109	†	\$2,475	†	\$8,495	†
Fluorescent Ballasts	\$179,457	100.00%	\$134,753	99.46%	\$38,096	100.00%	\$121,304	100.00%
Fluorescent Tube Lamps	\$247,510	100.00%	\$184,965	100.00%	\$77,921	100.00%	\$354,509	100.00%
Room Air Conditioners	\$155,245	100.00%	\$37,757	96.61%	\$24,679	100.00%	\$25,523	100.00%
<b>Low Volatile Organic Compounds</b>								
Household Consumer Products	\$150	100.00%	\$3,397	100.00%	\$14,311	100.00%	\$126,255	100.00%
Cleaning Compounds	\$5,479	100.00%	\$2,492	100.00%	\$159	100.00%	\$0.00	N/A
<b>Water Conserving</b>								
Urinals	\$58,553	†	\$106,162	†	\$37,190	†	\$80,385	†
<b>Other</b>								
Asbestos Alternative	*	*	\$315	100.00%	\$1,052,798	‡	\$2,154,318	‡
<b>Totals</b>	<b>\$16,985,902</b>	<b>72.79%</b>	<b>\$10,399,704</b>	<b>89.71%</b>	<b>\$9,653,911</b>	<b>85.63%</b>	<b>\$29,644,708</b>	<b>59.92%</b>

\* No items were identified in this new attribute category until FY2004.

† Indicates no non-green substitutes have been recorded in ERLS.

‡ Addition of new products not yet reviewed for non-green counterparts.