

ACCO Climate Leadership Summit

November 8-9, 2010 | Hyattsville, Maryland

Marriott Inn & Conference Center, University of Maryland University College
(The nation's first LEED certified conference center)

ROUNDTABLE NOTES

Track 6: Lifecycle of Operations and Products

Session 3: Developing a New Procurement Paradigm

Moderators: Valerie Patrick, Denise Sheehan, Verena Radulovic

Takeaways:

Companies are challenged by lack of standardization around Scope 3 reporting. Draft of WRI/WBCSD Scope 3 protocol requires reporting of 100% of Scope 3. The risk is that so few feel they can comply that the standard is not used. Concerns were also expressed about how to disclose without giving away proprietary information. Procurement processes now often involve asking for information, but when probed, it is not clear how they are using this information. Trade-off between product or service performance/value and carbon footprint needs to be considered.

EHS teams are not always able to work as close as needed with procurement.

EPA will publish a report (likely in early December) where they looked at lessons learned from 11 companies in regards to procurement practices.

Life cycle information can often lead to important insights. Some consider carbon life cycle analysis as central to drive product innovation rather than to make sustainability claims in the market. This is reflected in some companies where life cycle analysis sits in R&D. Allocation of costs in life cycle analysis is a large challenge for some companies, particularly where products have very different energy requirements, for example.

Industry groups are starting to see the need for development of standards – transport and furniture sectors were mentioned. EPEAT (Electronic Product Environmental Assessment Tool) is driving to include GHG inventory and product carbon LCA standards. Promoting collaboration among key suppliers was viewed as helpful.

It is difficult to identify good relative metrics. Retailers may tie to square feet, logistics to mile traveled. Companies may change denominator to show themselves more favorably. Even within a single company, basis of reporting (absolute versus relative) may be different across divisions because of the product types.

Different reporting rules can create confusion in the marketplace. EPA standard reporting rule data is a subset of company footprint and can lead to confusion and false accusations if public does not understand the relationships between EPA and other reporting a company may do.

Next Steps:

Establish a working group that focuses on:

- Developing a response to WRI/WBCSD Scope 3 draft
- Educating procurement people of value-added questions to ask suppliers (and developing universal questionnaire)
- Understanding how information is being used in procurement decision making - cost effective understanding of detail needed.