

INQUIRY INTO INQUIRY INTO SUSTAINABLE PROCUREMENT

Organisation: Helwett-Packard Australia Pty Ltd
Name: Mr Kok-Wah BOEY
Telephone: 61 388334978
Date Received: 16/02/2009

Theme:

Summary

We are pleased to have the opportunity to submit our position on the NSW Government sustainable procurement policy. We would also welcome the opportunity to continue active dialog with the Public Accounts Committee on matters related to sustainable procurement in the future.

There are some broad principles that HP recommends organizations developing environmental procurement criteria to recognise. These principles ensure that the procurement guidelines are useful to procuring organisations as well as being fair, understandable and environmentally and economically viable for suppliers. We recommend that procurement guidance to be based on the following principles:

Fairness and equitability – Any procurement criteria that are developed should aim to be fair and equitable and take into consideration environmental aspects throughout the life cycles of different product options. Green procurement should not be viewed as a vehicle to favour certain goods and/or services. The procurement criteria shall ensure fair treatment for all suppliers.

Harmonization and recognition of international standards - There are numerous environmental standards in the global marketplace. HP supports the general harmonization of the various standards and procurement schemes, particularly in relation to criteria and tool development as well as testing methodologies.

Prioritization – The nature of the procuring organization, and the type and quantity of products purchased determine the environmental impact associated with the procurement activity. For the criteria to deliver benefit, it should be derived from the overall environmental priorities of the procuring organization. It is important for any organization drafting procurement criteria to

prioritize the green procurement specifications based on good science that focuses on issues that warrant attention, i.e. to address areas of greatest risk for the procuring organization. Procurement criteria, that cite a maximum number of requirements that are rated with the same importance, may run the risk of rejecting many environmentally viable products that would otherwise meet or exceed the majority of the criteria, but fail on a single, and perhaps, minor point of assessment.

Measurability / verifiability – Environmental criteria should only be used if they are measurable (i.e. refer to an existing standards), comparable (i.e. allow comparison between competing products) and verifiable by the purchaser. There are a number of methods for verification; these include confirmation from the supplier, self-declaration, second or a third party declaration etc. HP supports programs where producers “self-declare” their conformance with published standards. Many standards already operate effectively on a system of self-certification, where producers document their conformance through submittals or record keeping (e.g. US EPA Energy Star, Germany’s Blue Angel). A trail of auditable documents ensures that conformance can be enforced. Appropriate weighting should be assigned to the environmental section in the tender. The weighting should reflect the procuring organizations’ priorities and as such is likely to differ from one procuring organizations to another. Advising suppliers on the weighting is recommended as this will help the suppliers to assess and improve their environmental performance.

Process transparency – To ensure that the environmental procurement program has realistic goals and expectations it is recommended for the procuring organization to engage in dialog with the suppliers and other interested stakeholders. Transparent processes and discussion with stakeholders will provide the procuring organization with a clearer picture of what is happening in the market place and should aid in assessing the impact, measurability and options associated with specific environmental performance criteria.

Attached is a copy of HP Green Procurement Guidance white paper which provides HP’s recommendations for the development environmental procurement criteria. The recommendations in the white paper are applicable to the purchasing of Information Technology (IT) products.

HP would be pleased to supply the Public Accounts Committee with further information about any of the points raised in this document. Should you have further questions or requests for further information, please do not hesitate to contact me.

Sincerely,
BOEY Kok-Wah
Environmental Manager, South Pacific
+61 38833 4978



Hewlett-Packard Australia Pty Ltd
353 Burwood Hwy
Forest Hill
VIC, 3131
Australia
www.hp.com

BOEY Kok-Wah
Environmental Manager
South Pacific

+61 3 8833 4979
Kok-wah.boey@hp.com

1st March, 2009

Russell Keith
Public Accounts Committee (PAC)
Parliament House
Macquarie St
Sydney NSW 2000

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Hewlett-Packard Company
3 Richardson Place
North Ryde
2113 NSW
Australia
www.hp.com

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HP Green
Procurement White Paper

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