Federal Perspectives on Sustainable Procurement

Prepared for the National Academies Workshop: Fostering Sustainability Considerations into Public And Private Sector Procurement Tools & Capabilities

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December 7, 2011
Agenda

• DLA Mission and Organization
• Scope of DLA Customer Support
• DoD’s Supply Chain Manager
• Some DLA Environmental Initiatives
• Recent GSA/DOD Workshop and related thoughts or concerns
Mission: Supporting the Warfighter

We are America’s combat logistics support agency. Our mission is to provide best value integrated logistics solutions to America’s Armed forces and other designated customers in peace and in war, around the clock, around the world.
DLA’s Scope of Support
Full Spectrum Global Support

**Supply Chains**
- Land Systems
- Maritime Systems
- Aviation Systems
- Fuel/Energy
- Subsistence
- Medical
- Clothing & Textile
- Construction & Equip

**Distribution**
- 26 Distribution Centers
- $98B DoD Inventory
- 52M sq ft covered storage

**Disposition Services**
- Co-located with customers
- Over $25B per year
- Reutilization & Marketing
- Reverse Logistics

**Strategic Materials**
- Critical items such as titanium, cobalt, and tungsten

**Theater Support**
- DLA Europe & Africa
- DLA Pacific
- DLA Central

**Services**
- DLA Document Services
- DLA Logistics Information Services
- DLA Transaction Services
DLA Best Practices

• End to End Supply Chain Management
• Strategic Supplier Alliances
• Integrated Product Support Vendors
• Linking Weapon System Acquisition and Sustainment Strategies
• Worldwide Storage and Distribution Network
• Global Reutilization and Disposal

Becoming National Supply Chain Manager for DOD
Global Supply Chains

Troop Support
• **Class I: Subsistence**
  – Food Service
  – Produce
  – Operational Rations
• **Class II: Clothing & Textile**
  – Recruit Clothing
  – Organizational Clothing & Individual Equipment
• **Class IV/VII: Construction & Equipment**
  – Facilities Maintenance
  – Equipment
  – Wood Products
  – Safety & Rescue Equipment
• **Class VIII: Medical**
  – Pharmaceutical
  – Medical/Surgical Equipment

Aviation
• **Class IX:**
  – Engine Components, Air Frames
  – Flight Safety Equipment, Maps
  – Environmental Products

Land and Maritime
• **Class IX: Maritime**
  – Valves, Fluid Handling
  – Electrical/Electronics
  – Motors, Packing/Gaskets
• **Class IX: Land**
  – Wheeled, Tracked & Heavy Vehicle Parts
  – Vehicle Maintenance Kits
  – Power Transmission/Engine/Suspension Components
  – Tires, Batteries and Small Arms Parts

Energy
• **Class III: Energy**
  – DoD Executive Agent for all Bulk Petroleum
  – Natural Gas, Coal, Electricity
  – Aerospace Energy
Troop Support

**SUBSISTENCE: CLASS I**
- Food Service
- Produce
- Operational Rations

**CLOTHING & TEXTILE: CLASS II**
- Recruit Clothing
- Readiness
- Organizational Clothing & Individual Equipment

**CONSTRUCTION & EQUIPMENT: CLASS IV / VII**
- Facilities Maintenance
- Equipment
- Wood Products
- Safety & Rescue Equipment

**INITIATIVES**
- Prime Vendor Programs
- Medical Air Bridge (MAB)
- Common Food Management System (CFMS)
- Recruit Training Center Support
- Army Direct Ordering (ADO)
- Enterprise Buyers Forward
- Lumber Privatization

**MEDICAL: CLASS VIII**
- Pharmaceutical
- Medical/Surgical
- Readiness
- Equipment
Aviation

**AVIATION: CLASS IX**

- Engine Components
- Air Frames
- Flight Safety Equipment
- Aviation Lighting
- Bearings

**ADDITIONAL AVIATION:**

- Maps
- Environmental Products

**INITIATIVES**

- Industrial Support
- DLR Procurement
- Operational Customer Support
- Top-Notch Workforce
- Planning
- Acquisition Strategies
- Cost Management
- EProcurement
- IMSP Spiral 2
Energy

INITIATIVES
CENTCOM AOR Support
Open Market Bunker Support
Bulk Terminal Ops Privatization
Garrison / Base Energy Support
Utilities Privatization Support
Alternative Fuel and Renewable Energy

ENERGY:
• DOD Executive Agent for all Bulk Petroleum
• Natural Gas, Coal, Electricity
• Aerospace Energy
Disposition Services

- Reutilization (to Military Services & DOD Special Programs)
- Transfer (to Federal Agencies)
- Donation (to State and Local Agencies)
- Sales of excess DOD property
- Contingency Operation Support
- Demilitarization
- Precious Metals Recovery
- Hazardous Waste Disposal

119 Sites Worldwide
DLA Logistics Information Service

- **Mission**: To provide interoperable, integrated, quality logistics data, and enterprise IT solutions for joint warfighters, the Military Services, etc.
- **Supports Military Services, Federal and International cataloging, standardization, and data quality**
- **Manages 6.5M National Stock Numbers**
- **Manages & sustains 15 key logistics data systems, such as the Federal Logistics Information System (FLIS), Asset Visibility & DOD EMALL**
- **Supports DOD supply chain management lifecycle processes for item, vendor & customer master data**
DLA’s Environmental Attribute Initiative

- Environmental Attribute Codes (ENAC) for NSN items in the Federal Logistics Information System (FLIS), also known as the Federal Catalog System, to signify that a product meets strict, definable environmental standards & criteria
- ENAC currently applied to over 8000 items managed by DLA & GSA, ranging from paints & coatings to lamps to file folders to gaskets to industrial cleaners & lubricants
- DLA formed and chairs a Joint Group on Environmental Attributes (JGEnvAtt) to seek out, evaluate and approve clearly definable environmental product criteria or ‘attributes’ from recognized environmental organizations to be applied to products in the Federal Catalog System
Environmental Attributes
Approved by the JGEnvAtt

- Recycled Content
- Energy Efficient
- Water Conserving
- Low VOC Content
- Low Standby Power
- Asbestos Alternative
- Biobased
- Non-mercury Alternative
- Electronic Products Environmental Assessment Tool (EPEAT)
- Non-cadmium Alternative
DOD EMAILL, DOD’s Online Shopping Mall

- Web self-service capability for the DOD
- Sells both finished goods and services
- Supports contracts written by DLA, GSA, Military Services, Federal agencies
- Offers over 30M items from government stock, through long term contracts and 1100 catalogs
- Offers Over 350,000 Green Items
- FY10 Total Sales $787M; Green Sales over $10M
- FY11 Total Sales $770M; Green Sales over $13M
DOD EMALL’s Green Shopping Section

DOD EMALL offers over 300,000 Green products!
Over 300,000 Green Products!

Once you have found your product, rolling your mouse over the Green Icon/ENAC code provides a category explanation.
ENAC and Product Information

Clicking the Icon provides online help/ENAC and product definitions.
This is the Green Reports page. This page breaks down sales by Fiscal Year Quarters.
Hazardous Material Information Resource System (HMIRS)

- DoD central repository for Material Safety Data Sheets (MSDS); including foreign language MSDS
- Assists Federal Government personnel who handle, store, transport, use, or dispose of hazardous materials – EPA, OSHA, DOT
- Includes value-added info by Service-agency focal points: HAZCOM warning label & transportation info
Hazardous Material Information Resource System (HMIRS)

- Available on the web, sets or as direct system-to-system interface (e.g., Federal Catalog System for supply items)
- Over 400,000 MSDSs and 4,800 users.
- Hazard Communication warning labels are based on the OSHA standard
Biobased Penetrating Lubricants Demonstrations

• Bio-based penetrating lubricants are being demonstrated at Fort Jackson, SC Army National Guard, Joint Base Charleston, and the Pentagon.

• Products meet the requirements of A-A-50493.
Biobased Sorbent Demonstrations

- Bio-based sorbent products from five manufacturers are being demonstrated at Fort Jackson, SC Army National Guard and Joint Base Charleston.

Wheeled Vehicle Mechanic School, Fort Jackson

Vehicle Maintenance - Logistics Readiness Squadron, Joint Base Charleston
Buying Green – a Multifunctional Approach to Pollution Prevention

- This 2-day workshop offered by the DLA Human Resources Services, DLA Training, provides an overview of Federal pollution prevention initiatives and how they relate to the DoD acquisition process.

- **Highlights** include:
  - P2 Laws/Executive Orders/Regulations
  - Green Procurement Program
  - Environmentally Preferred Products
  - Life-cycle Costing
  - Acquisition Planning
  - FAR requirements

- **Course Number & info:** (DCPSO00R750)
- [http://www.hr.dla.mil/training/](http://www.hr.dla.mil/training/)
Joint GSA-DoD Sustainable Procurement (SP) Project

• Kick-off meeting November 17, 2011 in Washington DC
• About 60-70 participants from across the General Services Administration and Department of Defense (HQ, field activities)
• Collaborative discussions on four targeted topic areas in parallel breakouts
• Result: formation of four GSA-DOD working groups that will continue on an ongoing basis
Four Workgroups -- Focus Areas

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<tr>
<th>Focus Areas</th>
<th>Description</th>
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<tr>
<td>Translating Policy Into Action</td>
<td>Areas where GSA and DoD can most effectively collaborate to improve the incorporation of sustainability into the procurement of goods and services (reference the EO 13514 metric for 95% of procurement actions to meet SP reqmts)</td>
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<td>Procurement Tools</td>
<td>Guidance, training and tools that enabling the staff implementing procurement actions to conduct procurement sustainably</td>
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<td>Life Cycle Analysis</td>
<td>Suitable types of life cycle analysis (LCA) for different types of procurement and incorporation of LCA into procurement</td>
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<td>Small Business Challenges &amp; Opportunities</td>
<td>Understanding the challenges faced by small businesses in meeting sustainable procurement requirements &amp; how to minimize them while building on sustainability as an opportunity</td>
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Some thoughts from the discussion on Translating Policy Into Action

- Need to integrate SP into ordinary course of business as a default, not separate consideration
- GSA-DOD synchronization can enhance standardization, allowing SP processes to operate in the background
- Need for compelling messaging casting SP in terms of the mission, value to the Government, triple bottom line
- Identify what motivates behavioral change
- Embed SP education & training in existing training for those involved in procurement
- Keep the training fresh, as SP in the Gov’t evolves
- Focus first on areas with greatest gains
Some thoughts from the discussion on Procurement Tools

- Toolbox should be scaled in complexity and size for different types of procurement
- One size fits all solution across Gov’t. sounds theoretically optimal but probably not possible
- Build upon existing progress
- Metrics for measuring/tracking compliance AND impact of conducting procurement sustainably
- Mechanism for testing products & providing feedback on them
- Define the right segments of target personnel
More thoughts....

• Culture change is more than training!
• Continued stumbling block of \textit{Greenwashing}
• Transparency of product constituents
• International harmonization
• Product Performance = \textbf{Priority}
• Our systems not designed to monitor compliance but we are committed to these tools for now....
• As Green products change/evolve, we must too
• Must be able to show life cycle cost benefits, depending on the product use or application