



# Greening the Supply Chain

## The Bigger Picture

Susan Steensma  
Business Eco Group

Envibe

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# Outline

Today we will look at:

- “Greening the Supply Chain”
  - What does it mean?
  - Why do it?
- You are part of a supply chain:
  - Supply Chain Leaders
  - Suppliers
  - Customers
- Strategies for “Greening”

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# A brief history of “greening the supply chain”

“Green credentials”



“Green procurement”



“Greening the supply chain”

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# Green Credentials

Today you have heard about ways to achieve Corporate social responsibility.

Part of that is considering the “green credentials” of the products you buy & sell:

- RCP?
- Local?
- Environmental impacts?



# Green Procurement

Today you have heard a lot about strategies to help you make ethically, socially & environmentally responsible purchases.

This is sometimes called “green procurement” or simply “buying green”

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# “Greening the Supply Chain”

“Greening the supply chain” extends this traditional green procurement approach to include:

- Products
- Services
- Activities

Of suppliers (including contractors, subcontractors etc)

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# What is “Greening the Supply Chain”?

“Encouraging and working with suppliers to improve their green credentials”

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# Why “Green the Supply Chain”?

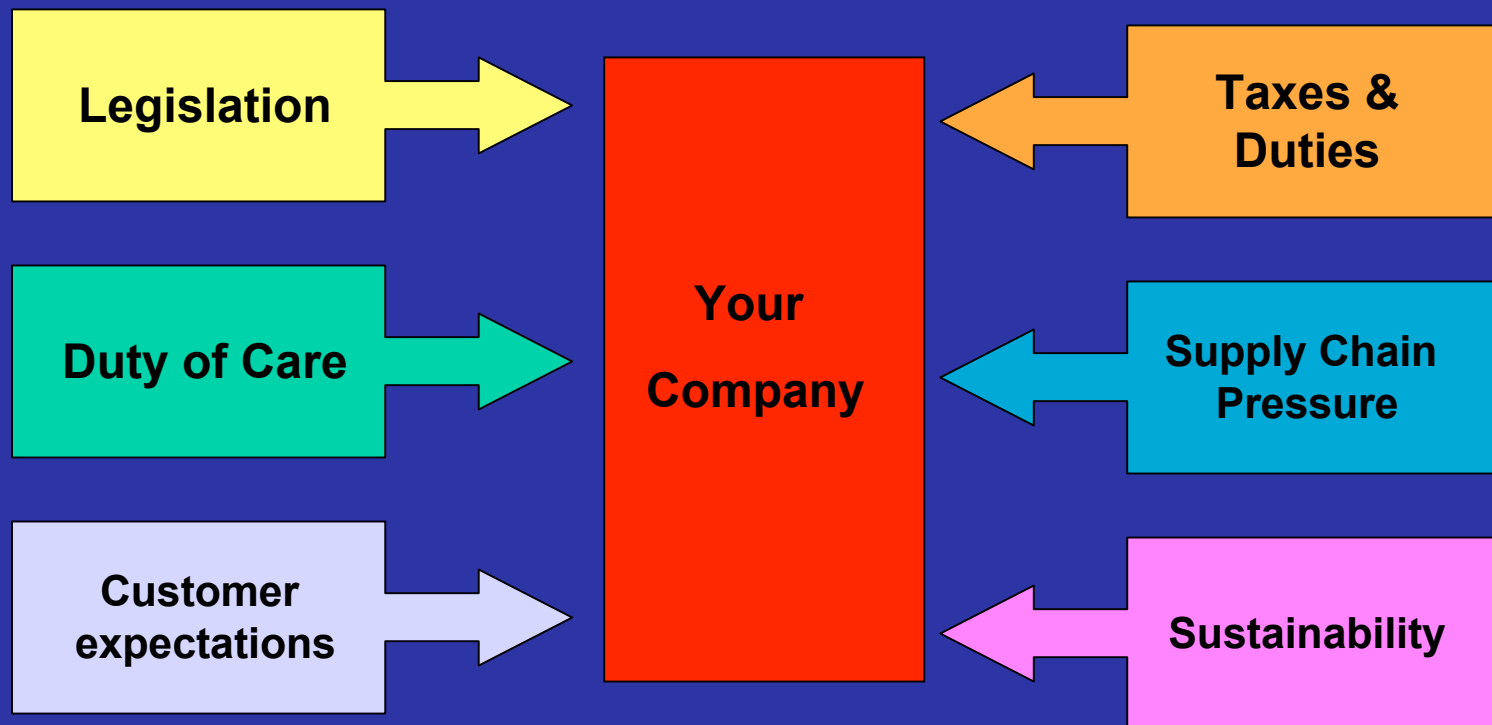
- Every business has an impact on the environment.
- How much of that impact comes directly from you?
- How much comes through products or services you purchase from others?

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# Why do it?

Environmental pressures facing business:



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# Why do it?

## Corporate Social Responsibility:

- Corporate image
- Corporate values

## Ethical Perspective:

- Recognising you are part of a supply chain
- Working with suppliers
- Cooperating toward better environmental management

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# Why do it?

- Being an environmentally aware company involves managing your environmental impacts
- When you have started to manage your own (direct) environmental impacts, consider....



How you can manage your indirect impacts?

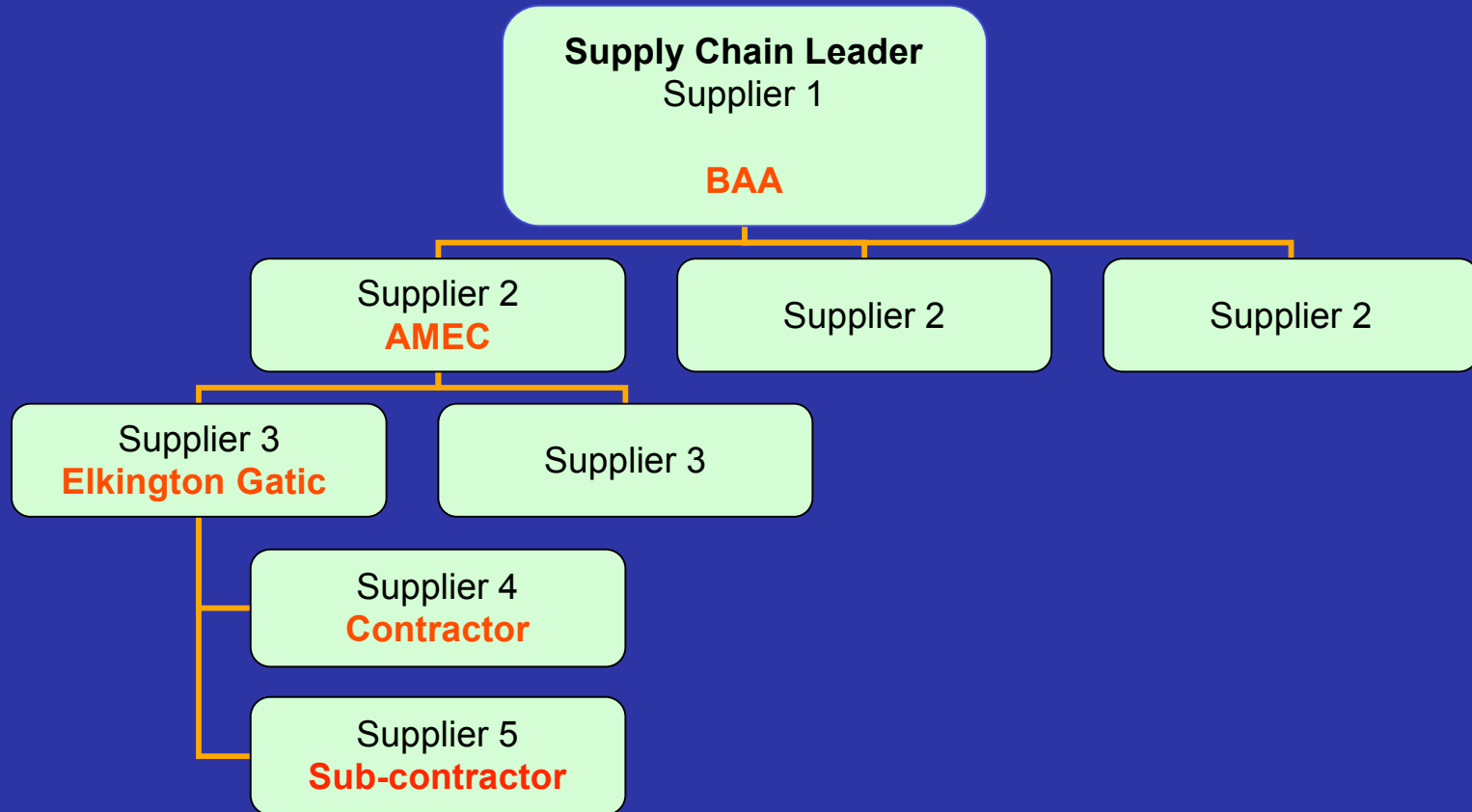
By encouraging your supply chain to manage their impacts.

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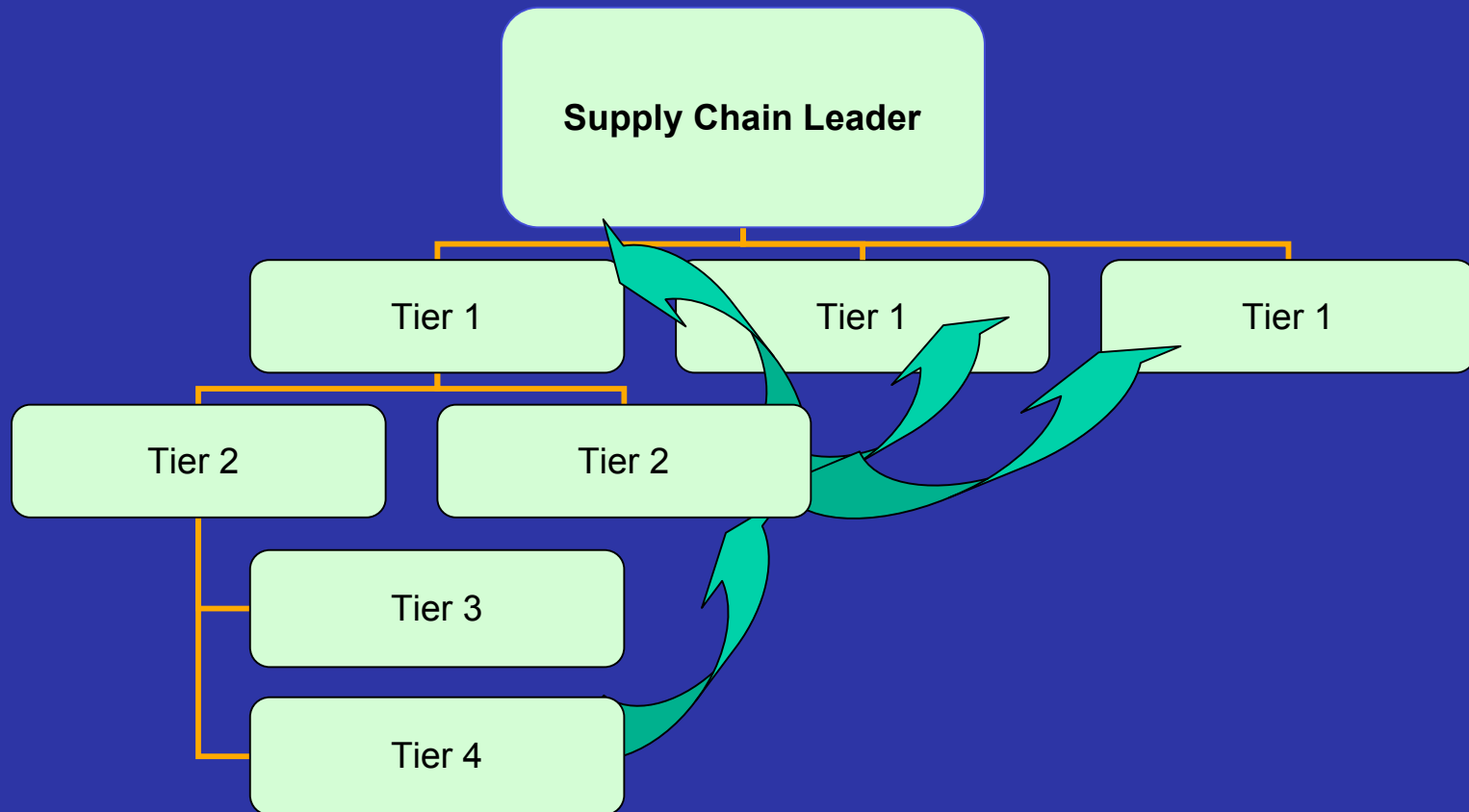
# Supply Chains



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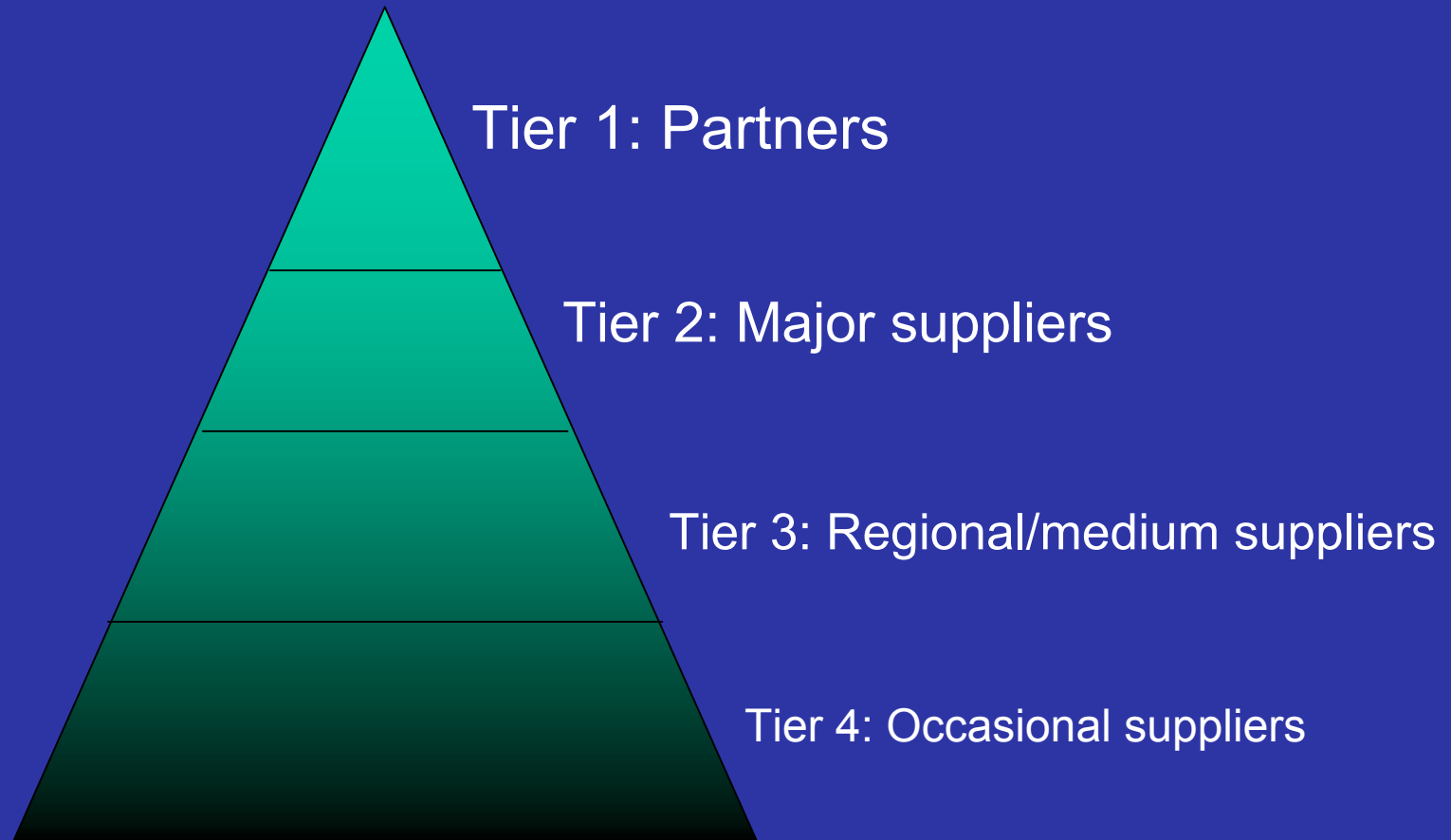
# Supply Chains



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# Supply Chains



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# Strategies for Supply Chain Leaders

- Buy Green
  - Pay more? (E.g. FSC timber)
  - Buy smarter? (E.g. Request less packaging)
- Require high environmental standards from your suppliers
  - Environmental Policy
  - EMS
  - BS 8555/ISO 14001
- Partner with your suppliers
  - Mentoring

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# Strategies for Suppliers

- You can buy green, too!
  - Pay more? (E.g. Recycled office products)
  - Buy smarter? (E.g. Request less packaging)
- Check your suppliers (big or small) are environmentally friendly
- Partner with your supply chain leaders
  - Tell them what you want to do
  - Explain how it will benefit them



# ISO 14001 & the Supply Chain

## ISO 14001 (2004)

requires more in terms of managing indirect impacts & continual improvement

Working with your suppliers is a good way to fulfill these criteria

# BS 8555

## British Standard BS 8555

Designed to help supply chains toward EMS

- Originated from work of Project Acorn
- New British Standard for implementing an EMS
- Originally designed with small and medium enterprises (SMEs) in mind
- But suits all organisations
- Provides an optional route to ISO14001/EMAS

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# BS 8555

## Advantages for Suppliers

- ✓ Simplifies supplier questionnaires
- ✓ Helps you work within resource limitations
- ✓ You set the pace of certification
- ✓ Can stop at any stage
- ✓ Can continue to ISO 14001 / EMAS
- ✓ All stages certified to the standard
- ✓ Early marketing advantage



# BS 8555

## Advantages to Supply Chain Leaders

- ✓ Demonstrates continual improvement
- ✓ Assures supply chain environmental performance
- ✓ Simplifies supplier questionnaires
- ✓ Gain better knowledge of supply base
- ✓ Facilitates supply chain learning – “mentoring”
- ✓ Displays corporate social responsibility
- ✓ Low cost to implement

# The other end: Your Products

Consider your products or services:

- Are they “green”?
- Could they be “greener”?
- Who do you sell to?
- Competitive advantages of “green”?
- Broader markets?

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# Summary

- Supply Chain Leaders - What to do next:
  - Work out supply chain
  - Talk to Business Eco about our “Greening the supply chain” Workshops
- Suppliers - What to do next:
  - Check you are on track environmentally (BS8555 or ISO 14001)
  - Think about what YOU purchase & what YOU supply
  - Go to Envibe for more support on how to “green” your processes

# Greening the Supply Chain

Any Questions ?

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## Business Eco Group

76A High Street

Sutton

Surrey SM1 1EZ

Tel: 020 8915 0097

E-mail: [info@eco.uk.com](mailto:info@eco.uk.com)

Web site: [www.eco.uk.com](http://www.eco.uk.com)

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