

# It's about Green Health: moving sustainability in public healthcare in Victoria

Jefferson Hopewell

*Sustainable Procurement Officer*

*Health Purchasing Victoria*

“It’s all about me?”







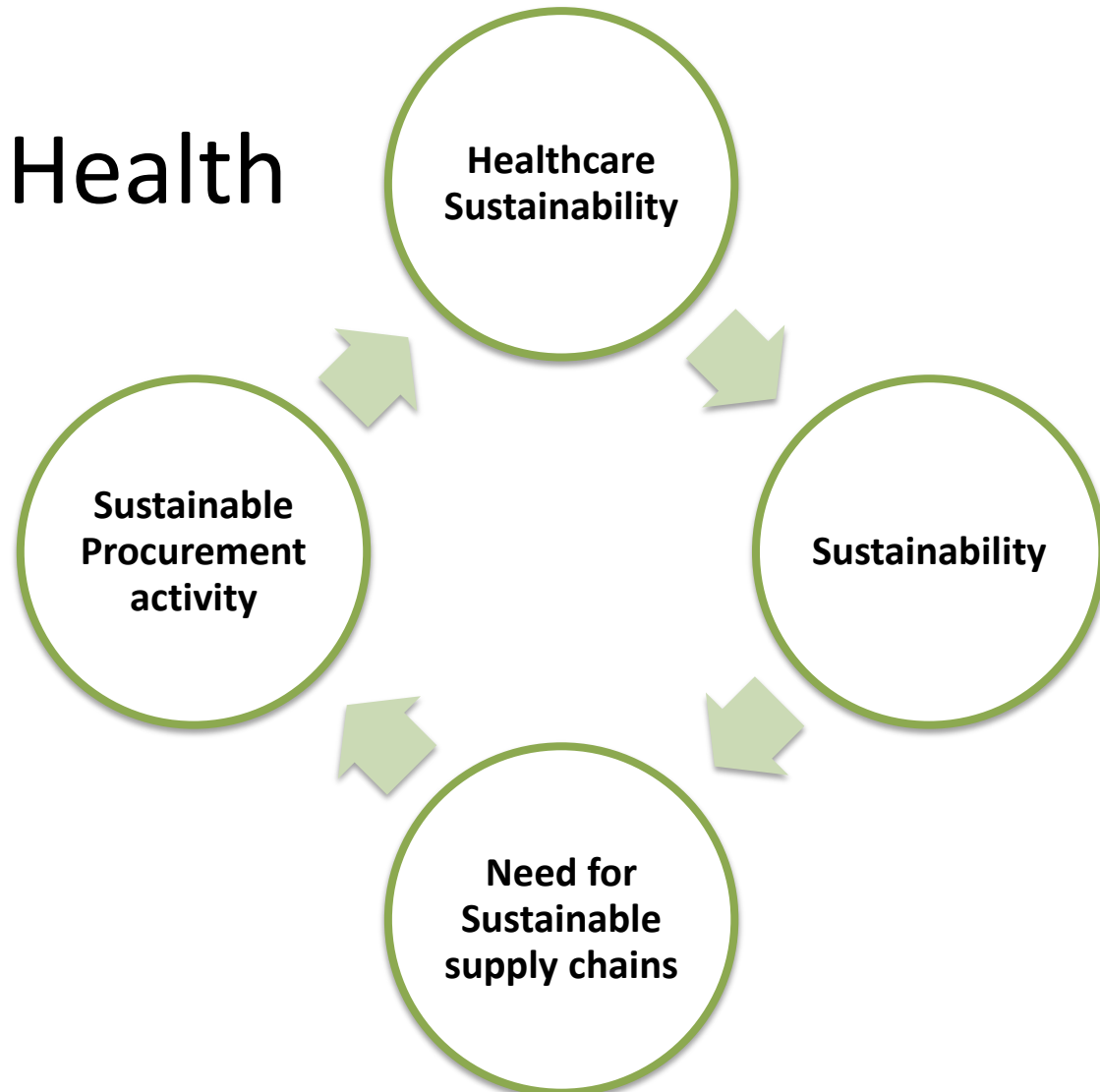




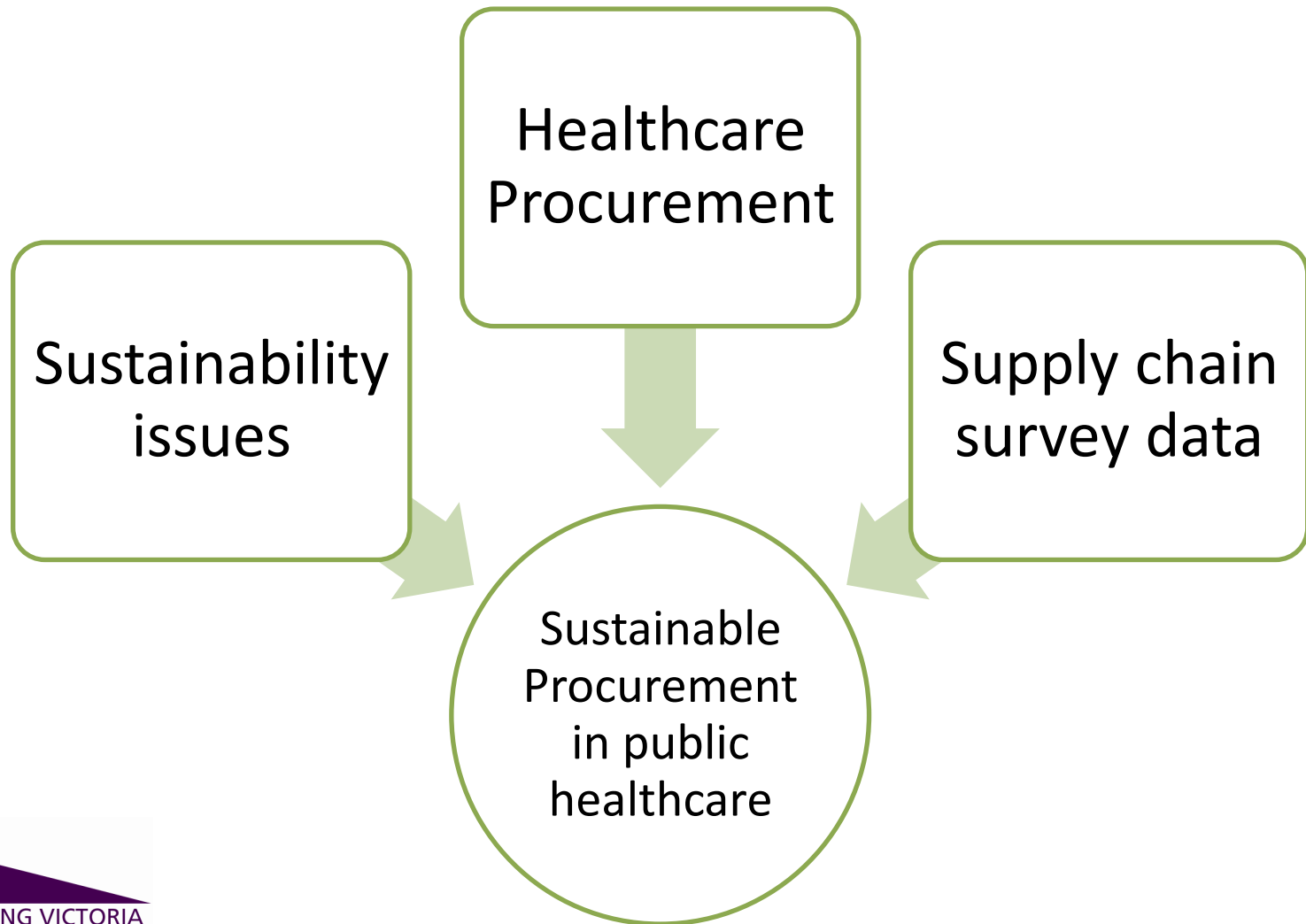
It's not all about me ...



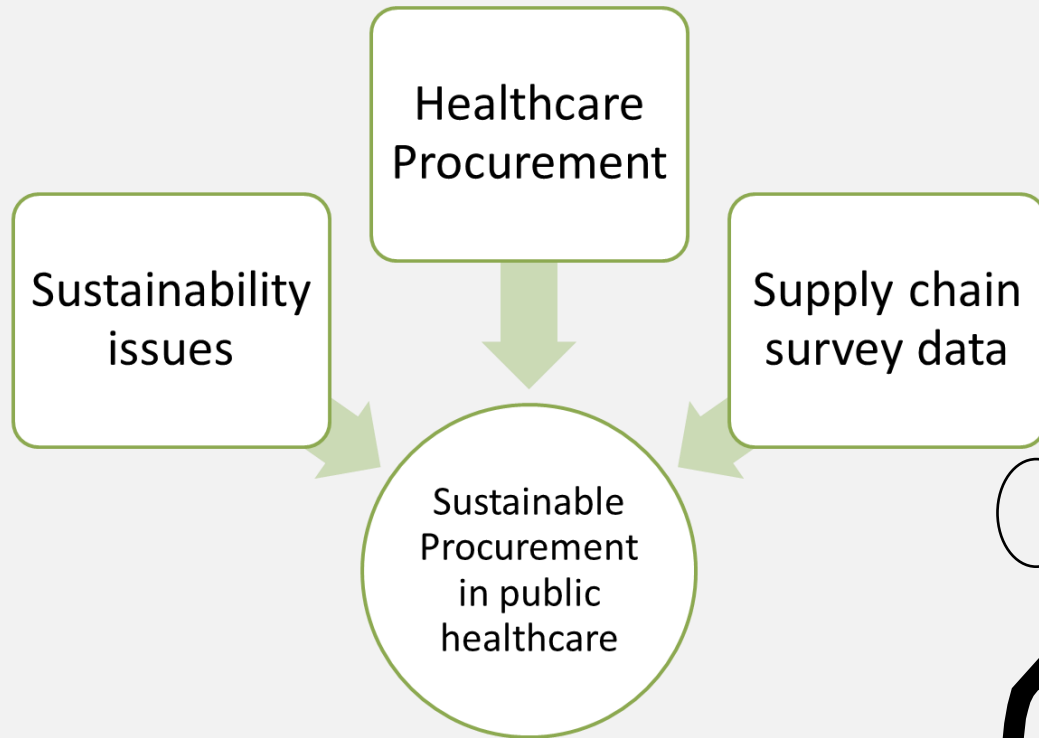
# It's about Green Health



# Elements of presentation



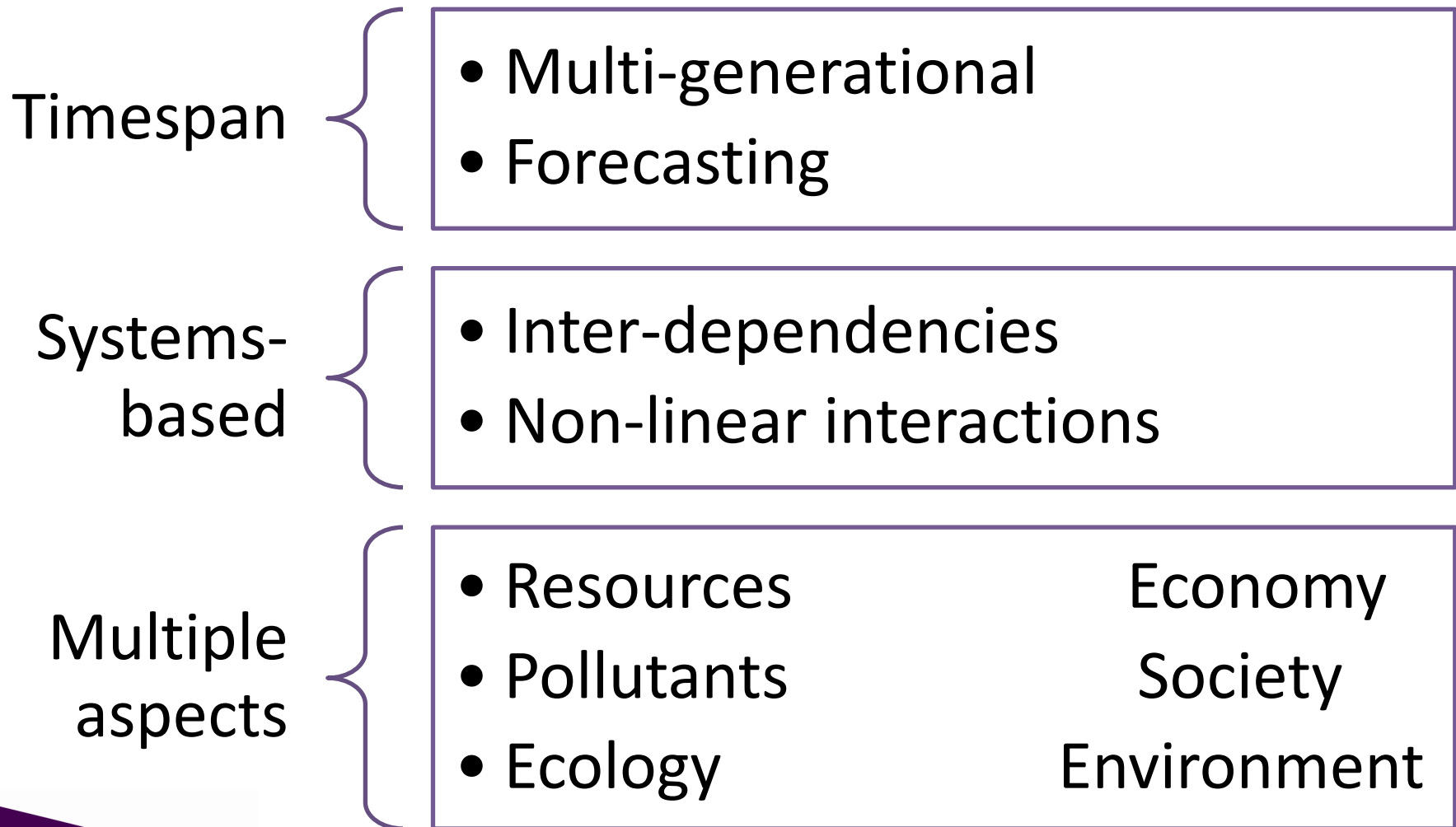
# The 5<sup>th</sup> Element





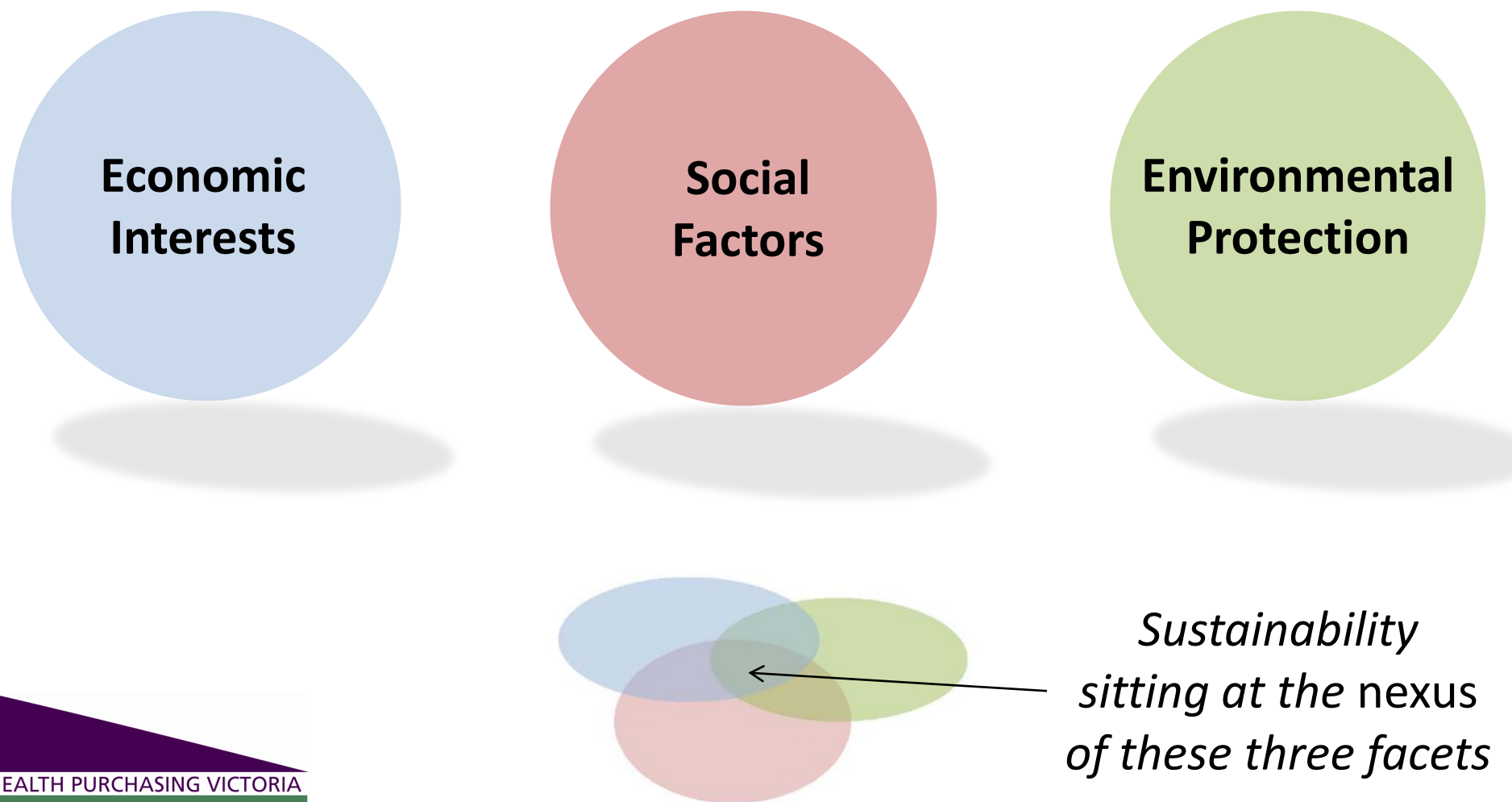
# Sustainability 101

# Sustainability is multi-dimensional



# Corporate Social Responsibility (CSR)

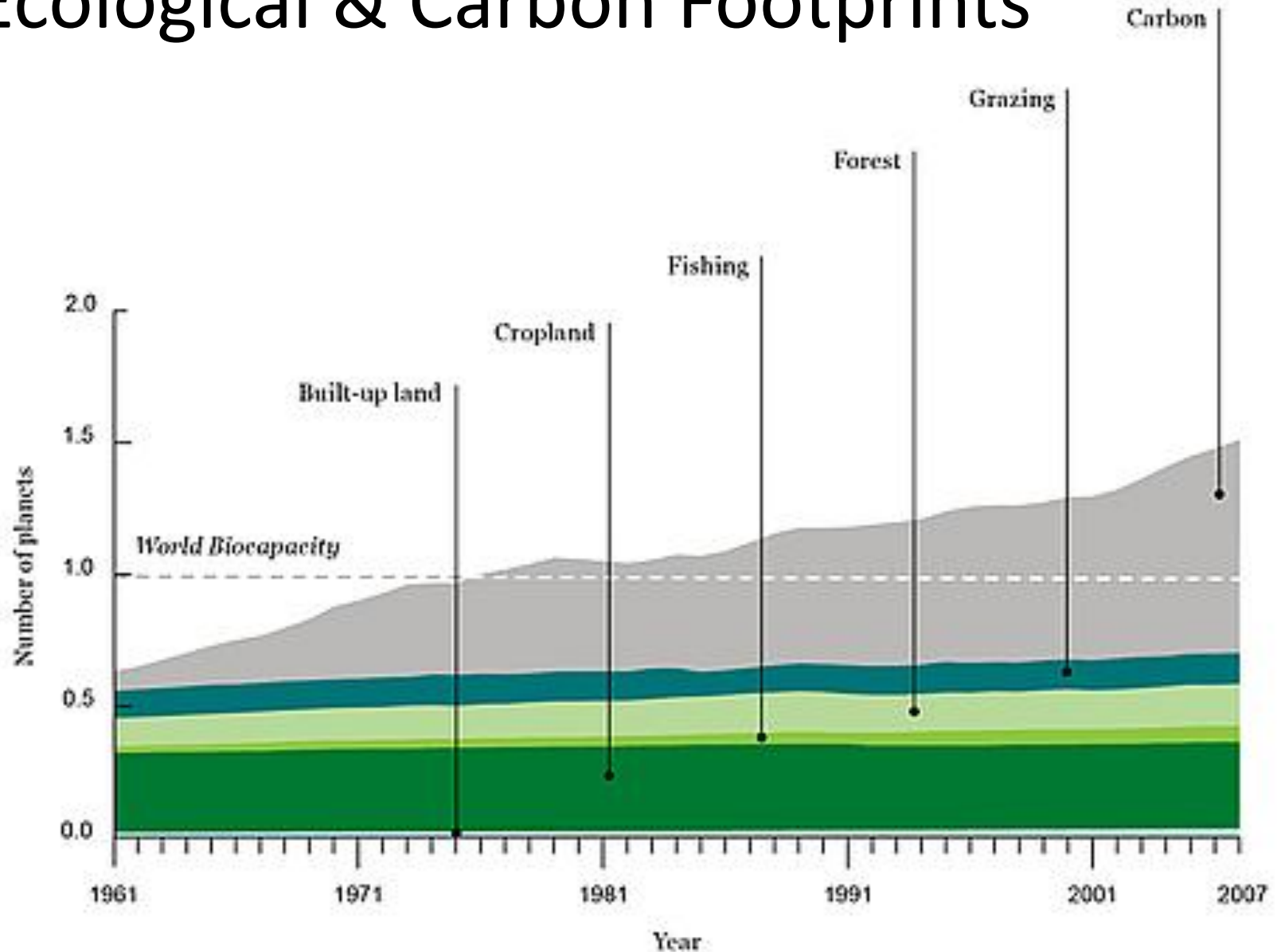
## “the Triple Bottom Line”



# Key Sustainability Issues



# Ecological & Carbon Footprints



Source: WWF Living Planet Report 2008

# Who is this quote from?

“A 10-year delay in taking abatement action (on greenhouse gas emissions) would make it virtually impossible to keep global warming below 2 degrees Celsius.”

- a. McKinsey & Company?
- b. Nick Minchin?
- c. Tim Minchin?
- d. A Munchkin from The Wizard of Oz?
- e. Al Gore?



# Answers

“A 10-year delay in taking abatement action would make it virtually impossible to keep global warming below 2 degrees Celsius.”

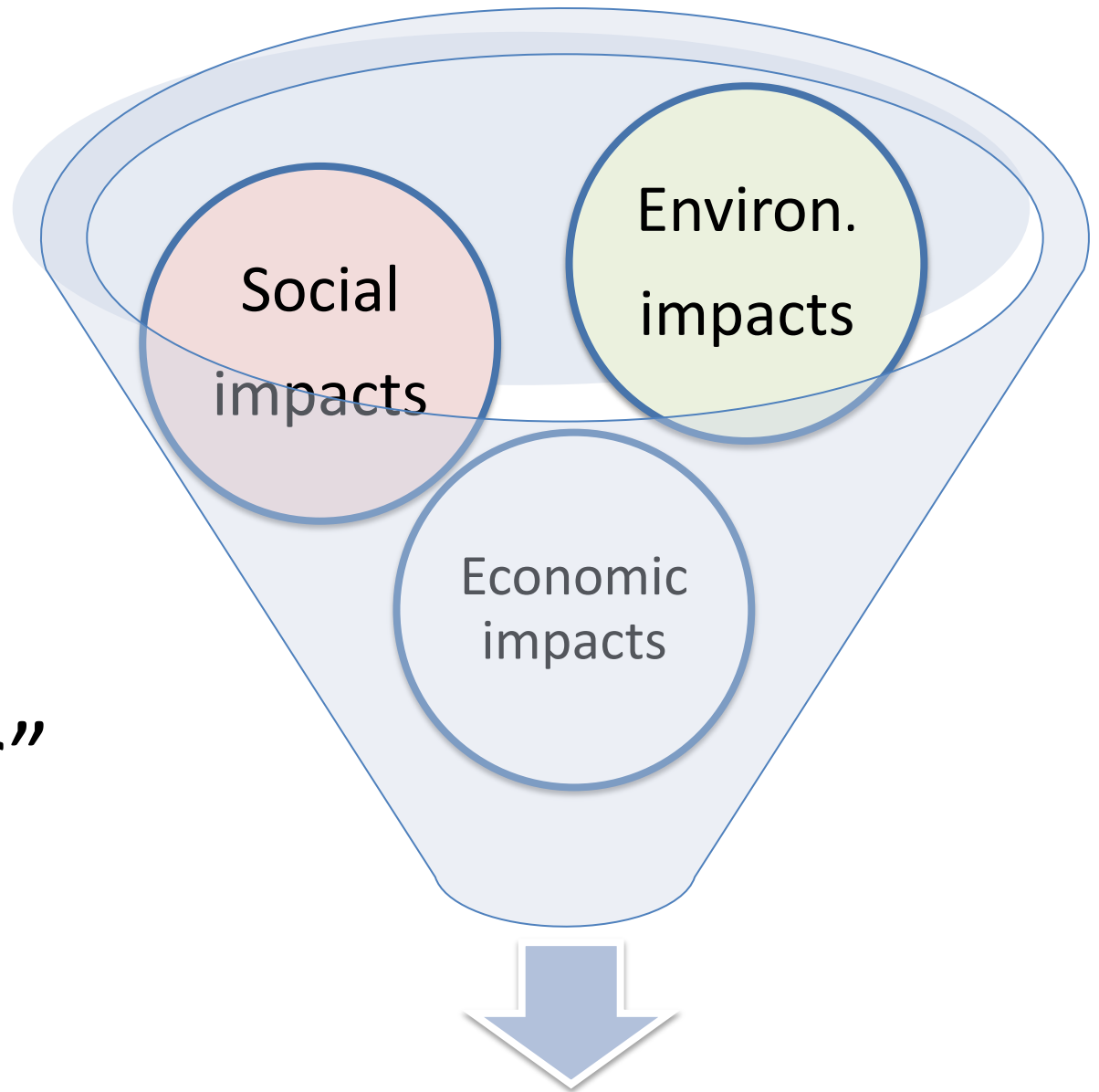
– **McKinsey & Company (2009)**



# How does one assess sustainability action?

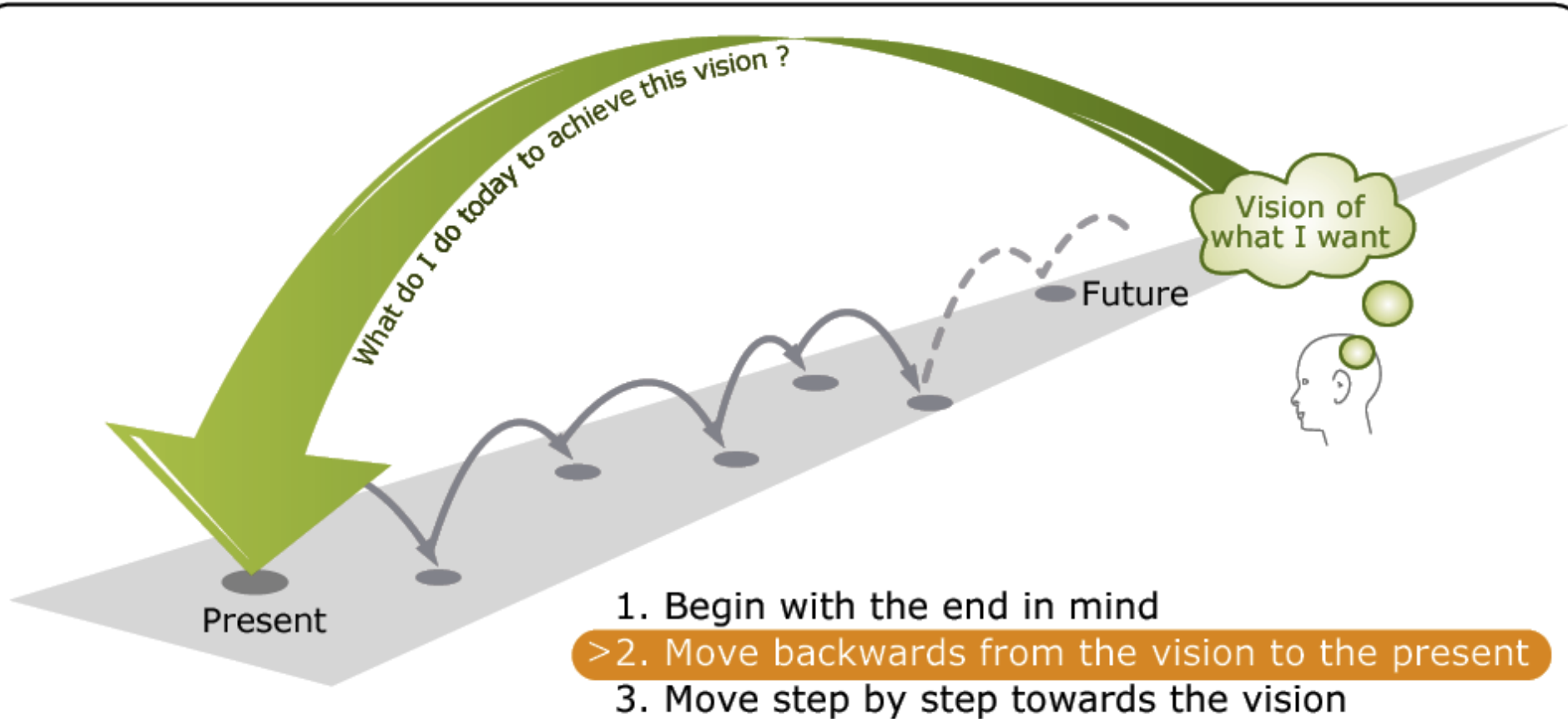


# The “blender”



Sustainable decision-making?

# Backcasting



# 1. Begin with the end in mind

**Good health shouldn't cost the earth**





## 2. Move backwards from the vision to the present

# Sustainability and Healthcare



## Sustainability

- Requires sustainable supply of resources, and a healthy environment

## Healthcare

- Trend for growing service provision & product use

# Impact of healthcare product

What share of the “carbon footprint” of healthcare is due to product consumption?

- a. About one-third
- b. About half
- c. About two-thirds
- d. About three-quarters
- e. It's all about product, baby



# Answers

How much of healthcare's carbon footprint is due to product consumption?

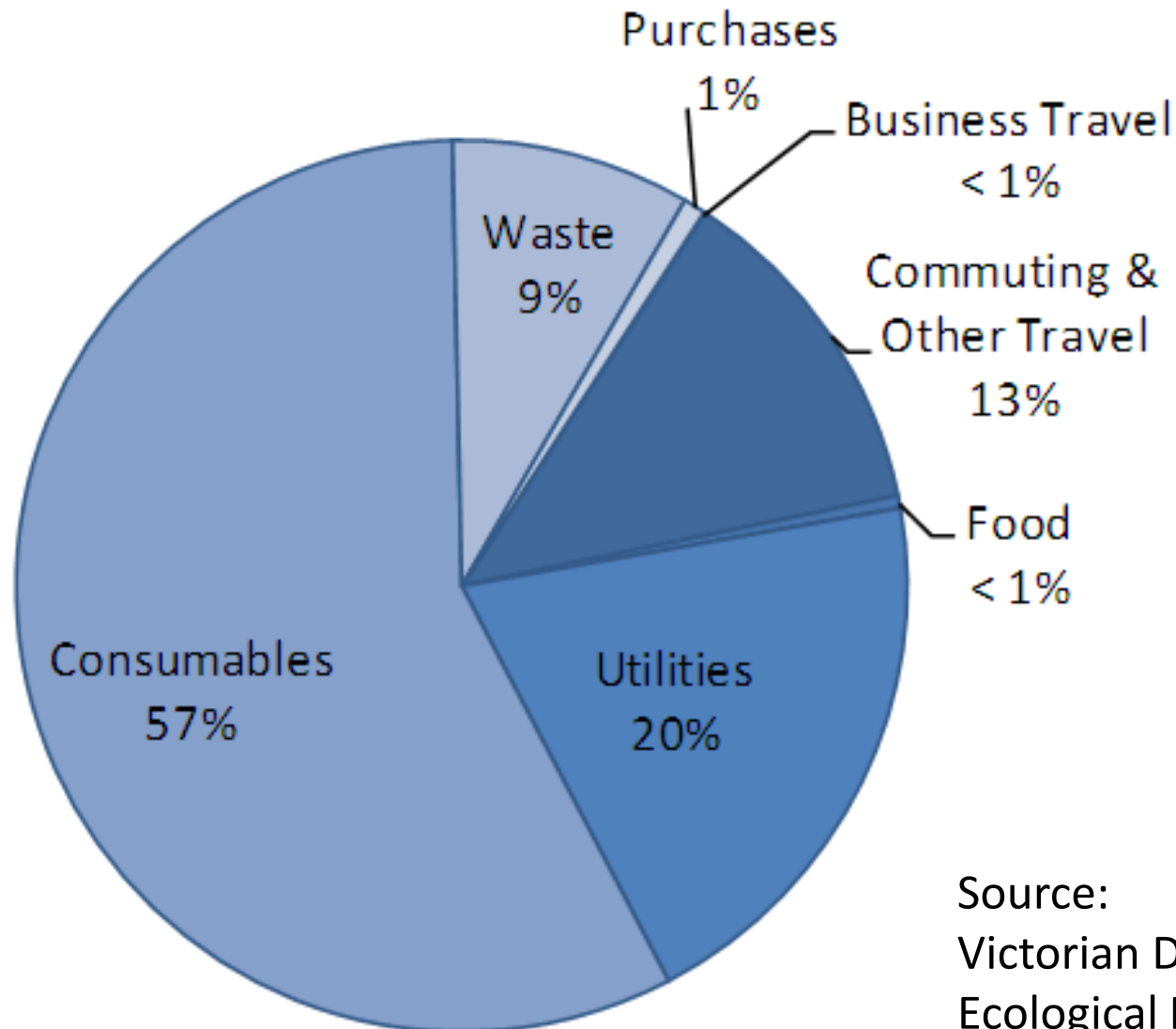
- a. ~~About one-third~~
- b. ~~About half~~
- c. **About two-thirds**
- d. ~~About three-quarters~~
- e. ~~It's all about product, baby~~





# Carbon footprint of public healthcare

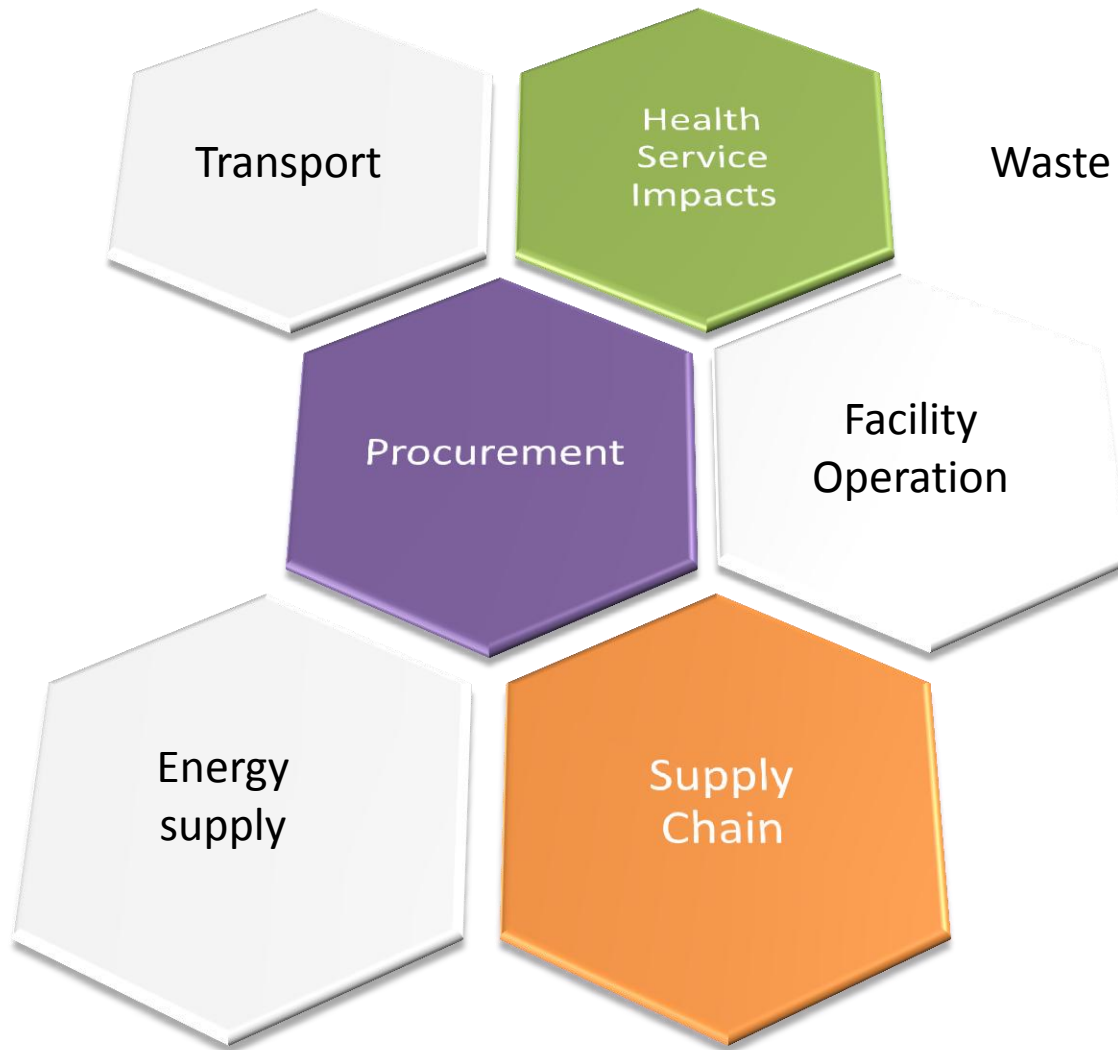
---



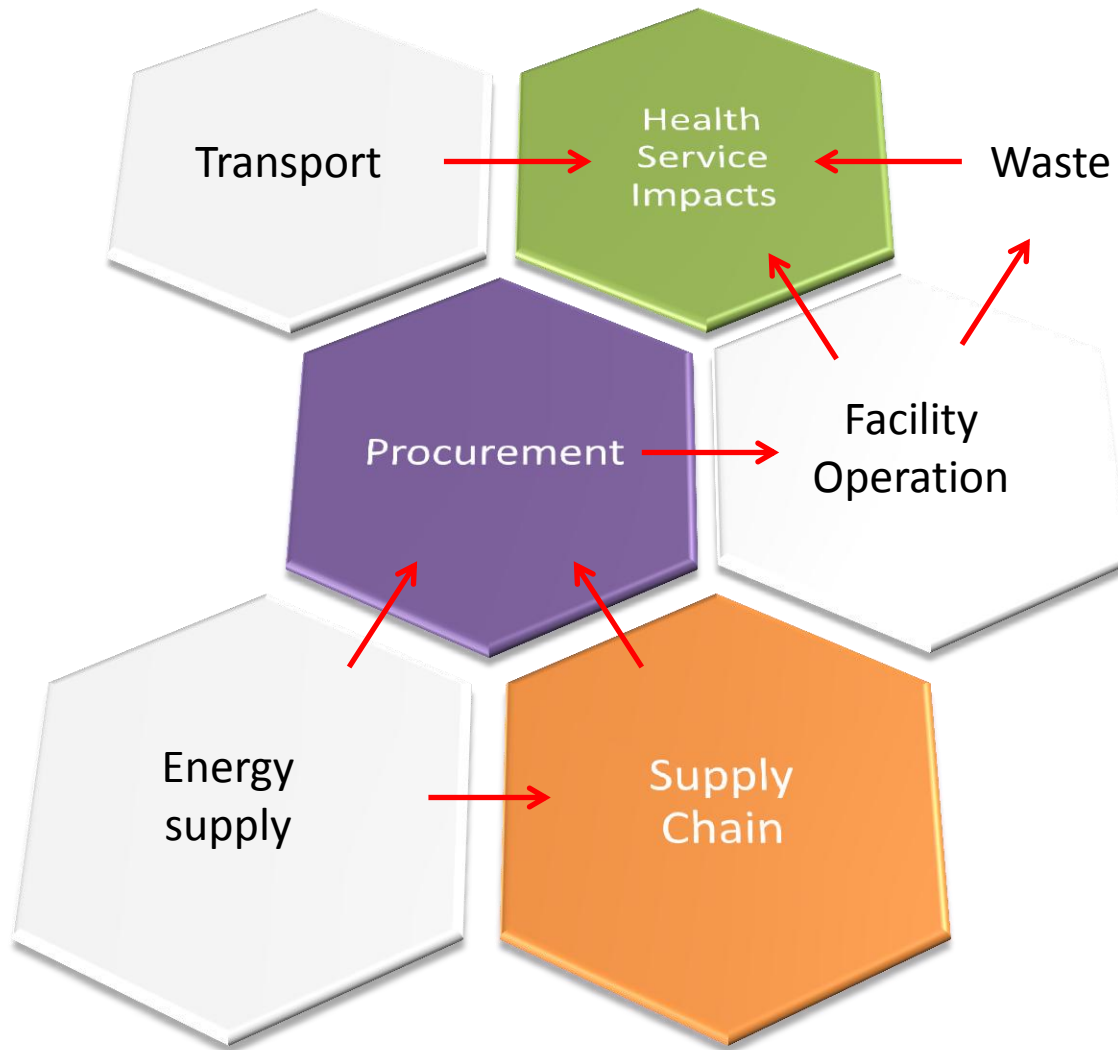
Source:  
Victorian Department of Health  
Ecological Footprint study (2009)

### 3. Move step by step towards the vision

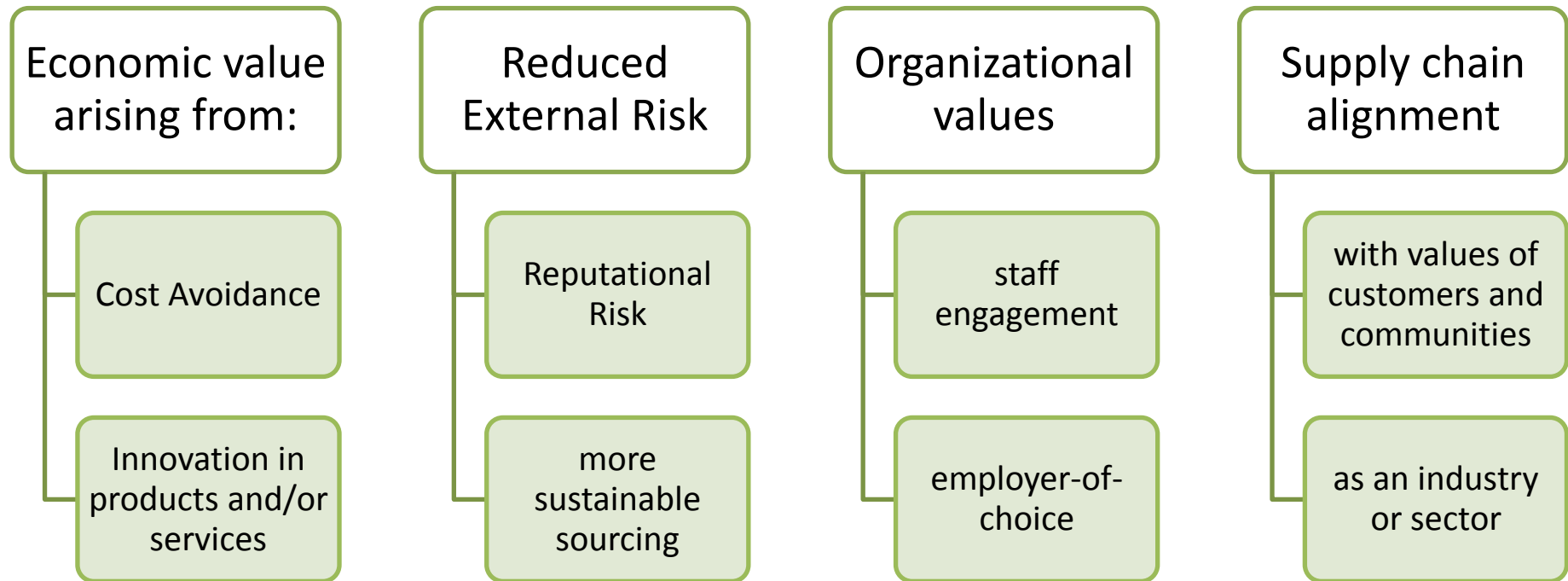
# Steps toward Green Health



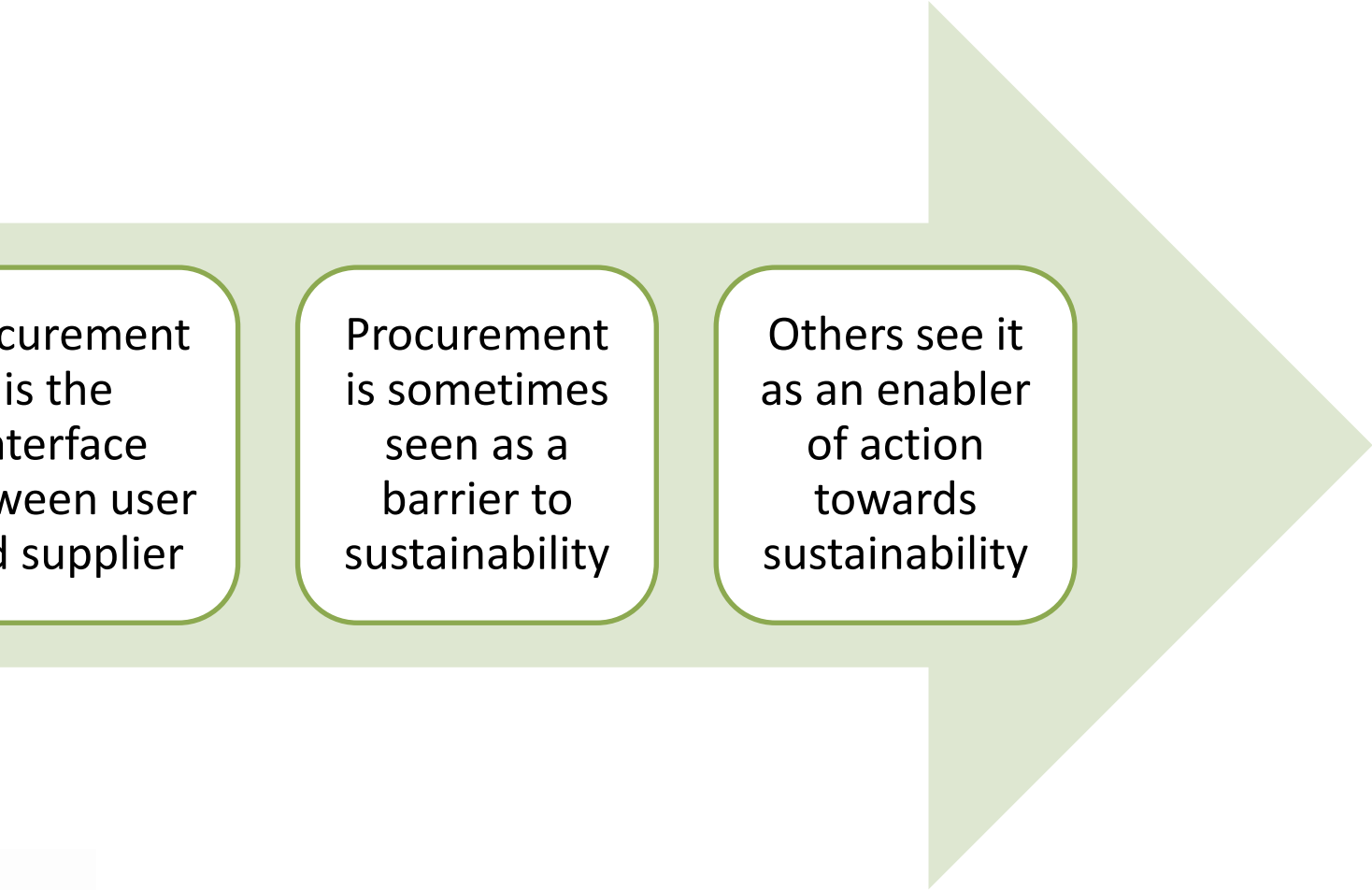
# Steps toward Green Health



# Some of the benefits of supply chain engagement with sustainability ...



# Sustainable Procurement?



Procurement  
is the  
interface  
between user  
and supplier

Procurement  
is sometimes  
seen as a  
barrier to  
sustainability

Others see it  
as an enabler  
of action  
towards  
sustainability



# Sustainable Procurement (by committee)

*“A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst minimizing damage to the environment.”*

- UK Taskforce on Sustainable Procurement

# Sustainable Procurement – short form

- Is about maintaining value-for-money
- Is about valuing more than money

# Sustainable Procurement in practice

---

## Maintaining value-for- money

Should include minimizing or avoiding waste

---

Should use Total Cost of Ownership as measure

---

Can include Environmentally-preferred purchasing

---

## Valuing more than money

Should include social and economic factors

---

Should include Corporate Social Responsibility

---

Can include Product Stewardship obligations

---

# Footprint of logistics

What is the carbon footprint of logistics of materials and products through global supply chains, as a % of total carbon footprint?

- a. < 2.0 %
- b. 2.0 – 4.0 %
- c. 4.0 – 6.0 %
- d. 6.0 – 8.0 %
- e. 8.0 – 10.0 %



# Answers

Carbon Footprint of logistics, as share of global carbon footprint

- a. ~~< 2.0%~~
- b. ~~2.0 – 4.0%~~
- c. **4.0 – 6.0%**
- d. ~~6.0 – 8.0%~~
- e. ~~8.0 – 10.0%~~

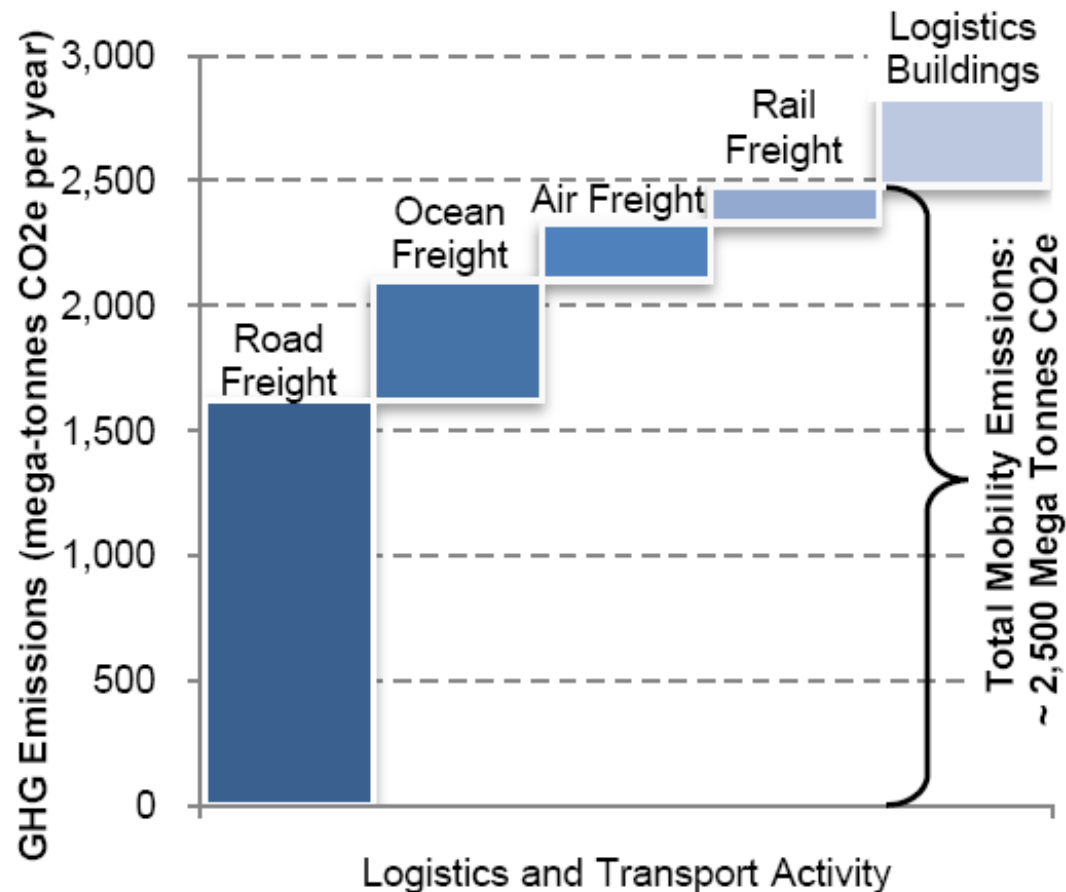


Share of footprint in Healthcare **may be higher**, relatively long supply chains, use of air-freight?

# OECD Report

## Findings

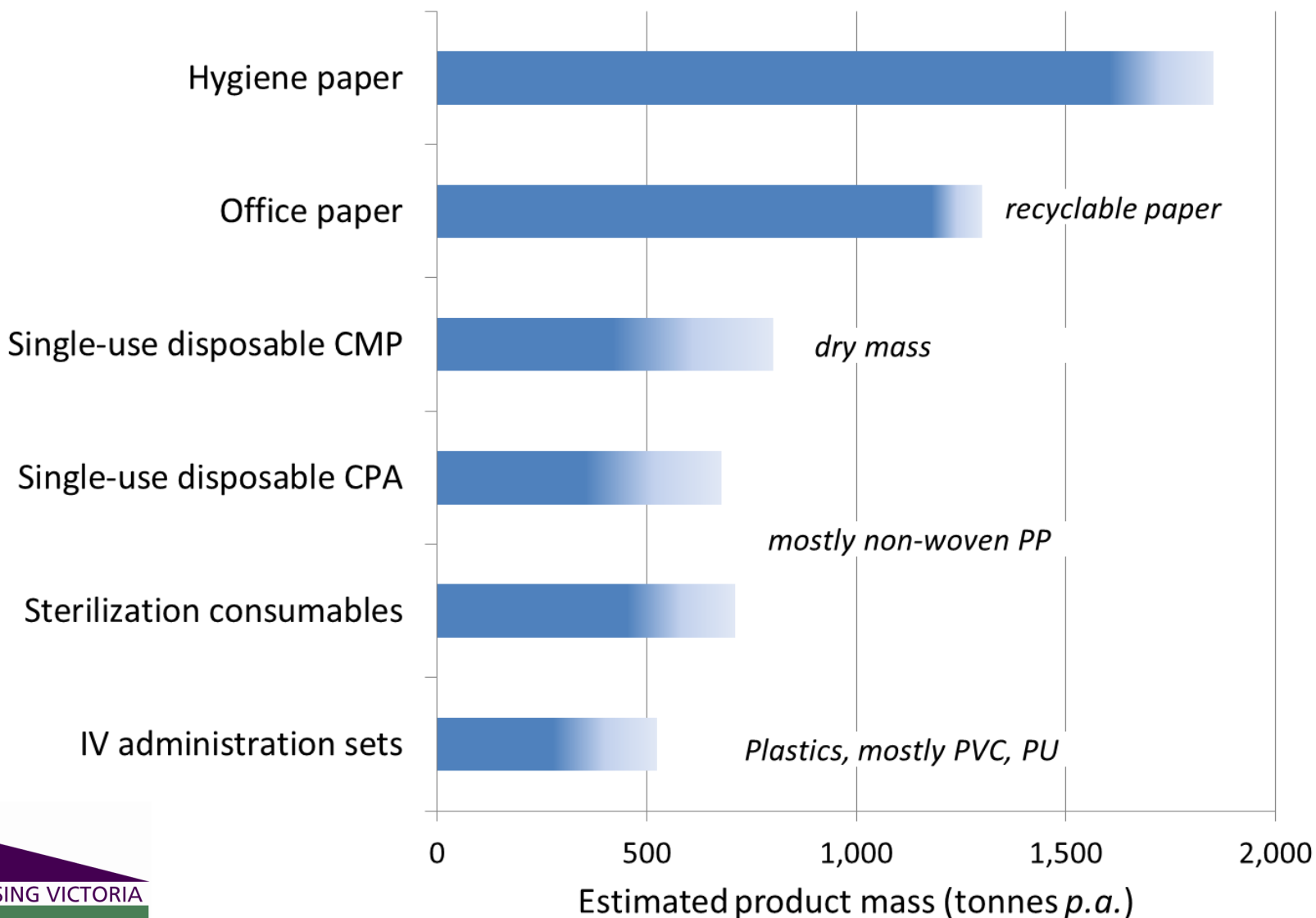
Human activity generates annual greenhouse gas emissions of around 50,000 mega-tonnes CO<sub>2</sub>e. We estimate that 2,800 mega-tonnes – or 5.5% of the total – are contributed by the logistics and transport sector.



# Healthcare Procurement Data



# Procurement Snapshot



# Paper use in health services

**How many reams of paper** do Victorian public health services use?

- a. One-quarter of a million *per* year
- b. Half-a-million *per* year
- c. Three-quarters of a million *per* year
- d. Too many
- e. Not enough
- f. Doesn't matter, we recycle it



# Answers

How many reams of paper do Victorian public health services use?

a. ~~One quarter of a million per year~~

b. **Half-a-million per year**

c. **Three-quarters of a million per year**

d. **Too many**

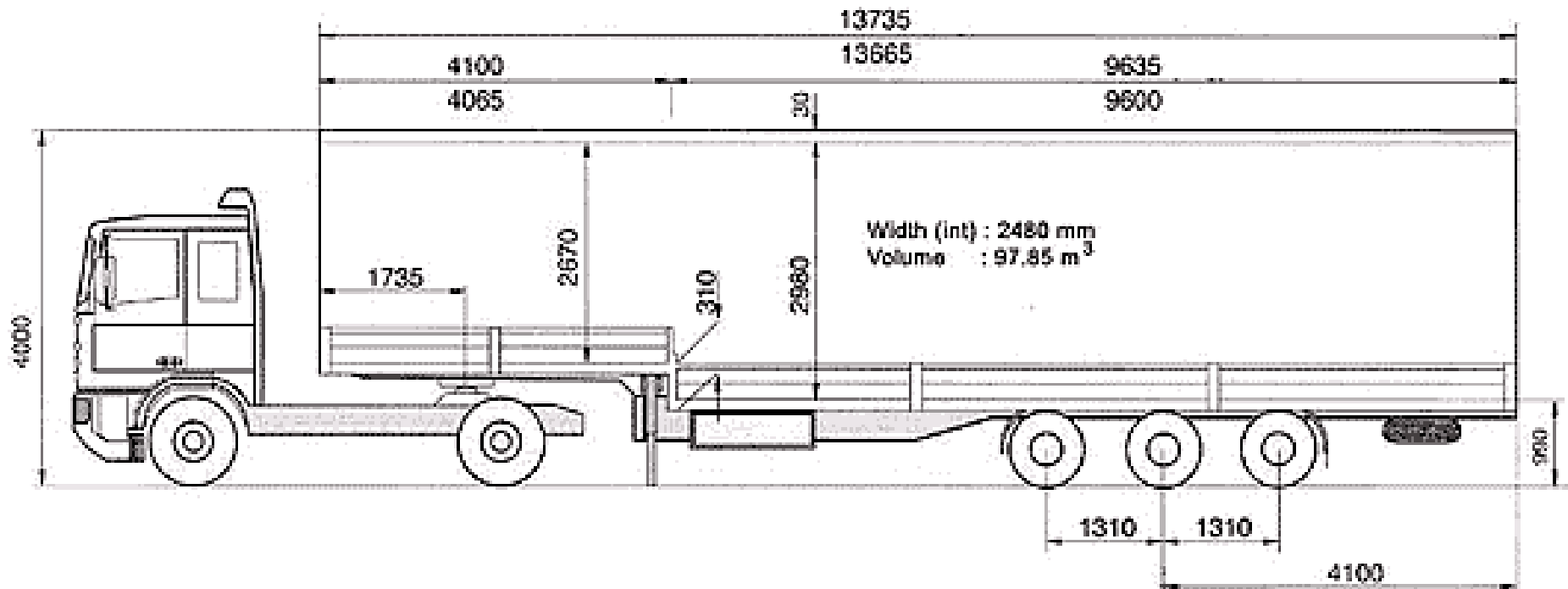
e. ~~Not enough~~

f. ~~Doesn't matter, we recycle it~~



# How much is 500,000 reams?

- **50 fully-laden containers of palletized A4 paper**



# Paper strategies

## Paper Recycling

- Target 100% segregation of recyclable paper from general waste

## Paper reduction

- Default print options
- Secure, swipe-card printing
- Digitalization of records?
- Electronic media?

## Procurement strategies

- Supplier selection
- Product specifications
- Environmentally-preferable purchasing
- Carbon off-setting?

## Supply chain offerings

- Forestry certification (e.g. FSC)
- Recycled content
- Cleaner production (e.g. ECF)
- Production Efficiencies

# Supply chain environmental management

# Supply Chain Survey

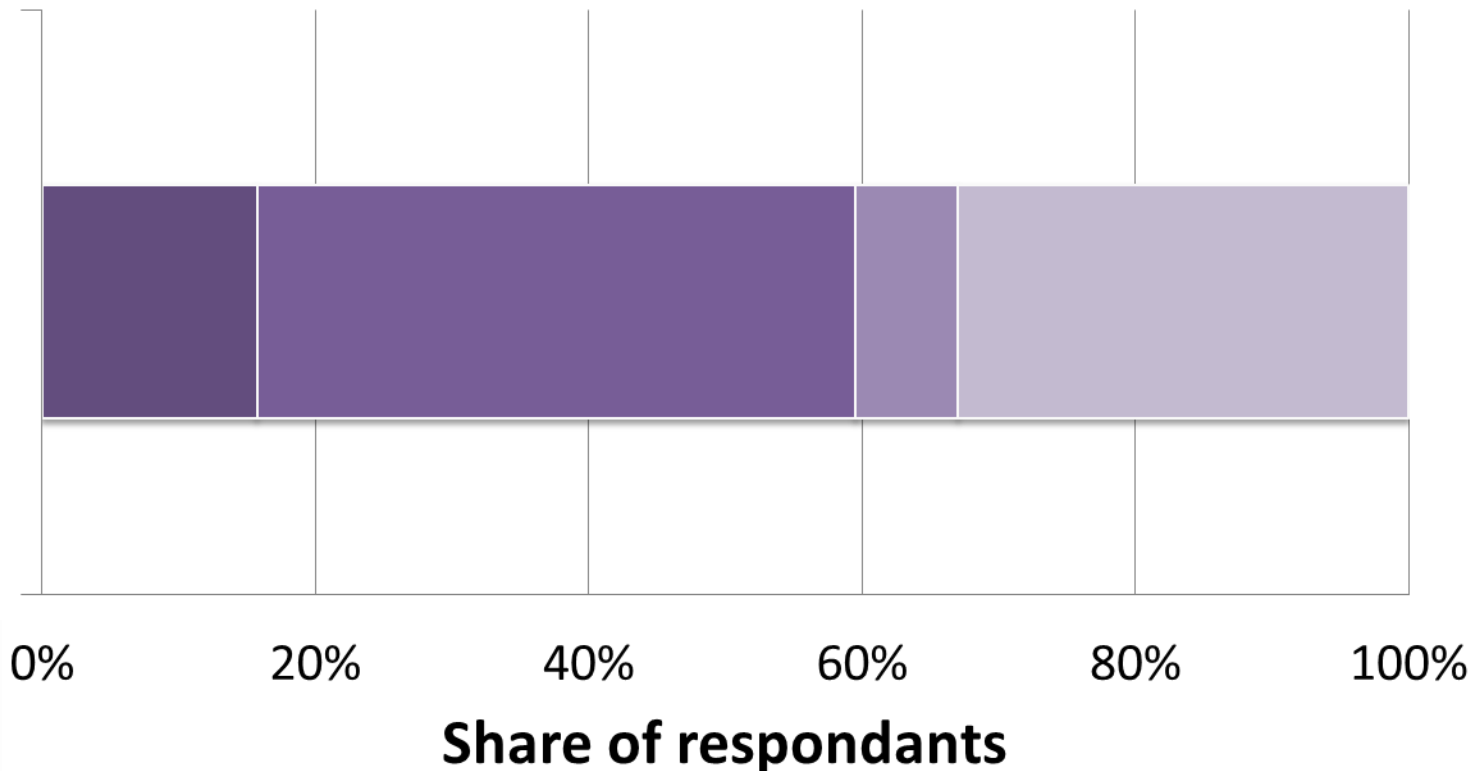




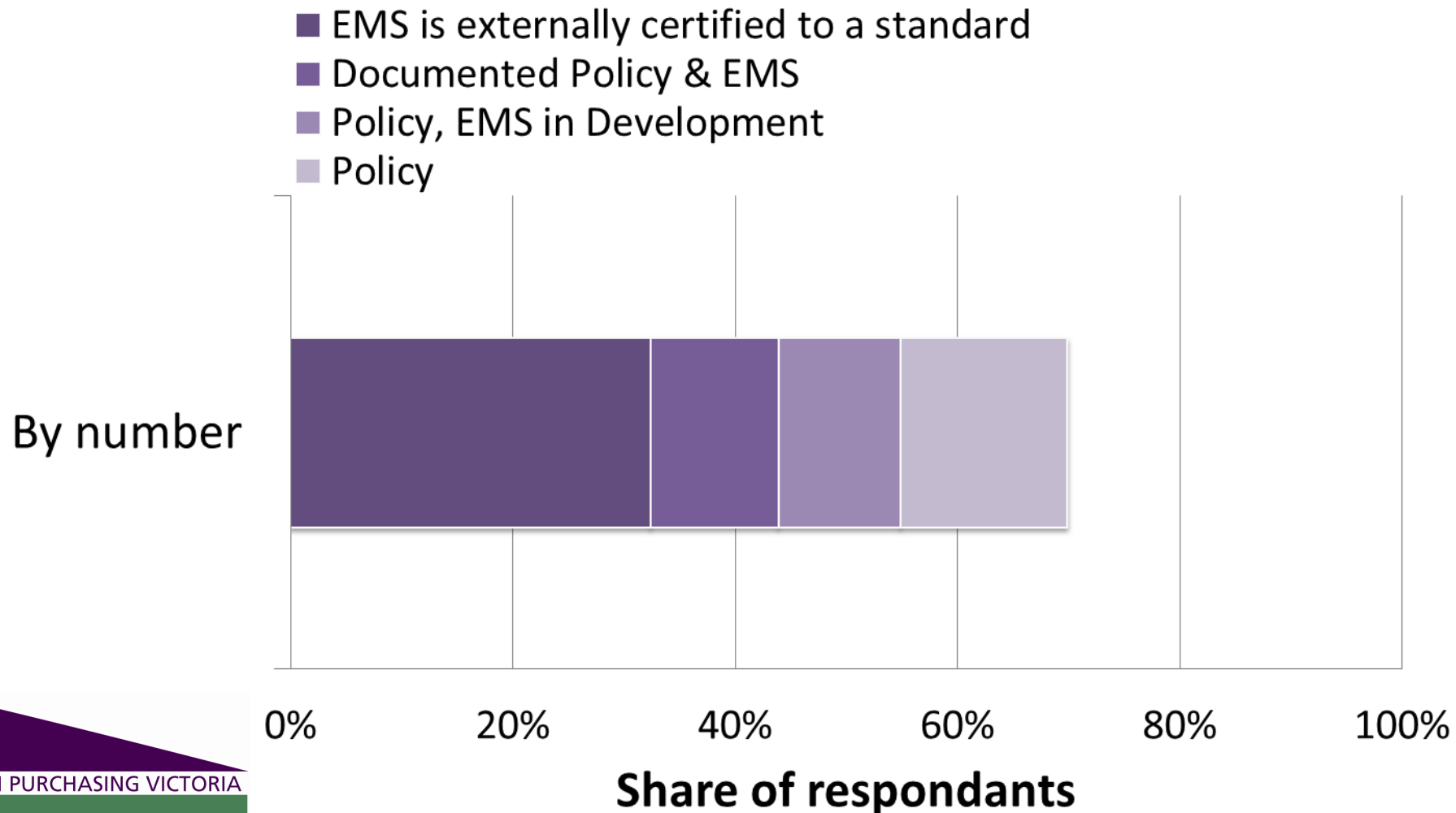
# Supplier classification

- Manufacturer-Supplier (primarily in Australia)
- Manufacturer-Supplier (primarily or solely overseas)
- Specifier-Supplier (production contracted out)
- Distributor (of 3rd party product)

By number



# Environmental Management Systems



# Environmental management practices



## Energy



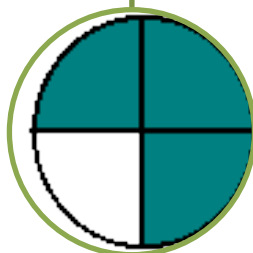
85 % told us they measure energy use



40 % have targets in place to reduce this



## Transport & Logistics



75% report measuring or tracking



35 % have set targets in place to improve this



## Carbon



40 % report measuring GHG emissions



25 % with targets in place to reduce emissions

# Environmental management practices

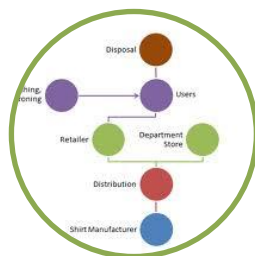


## Sourcing Policies

35

% report having a sustainable sourcing policy

(80% of these have distributed them to suppliers)



## Lifecycle impact of products

20

Only about 20% demonstrated clear or mostly complete knowledge

(but examples of efforts in many areas to reduce impacts...)



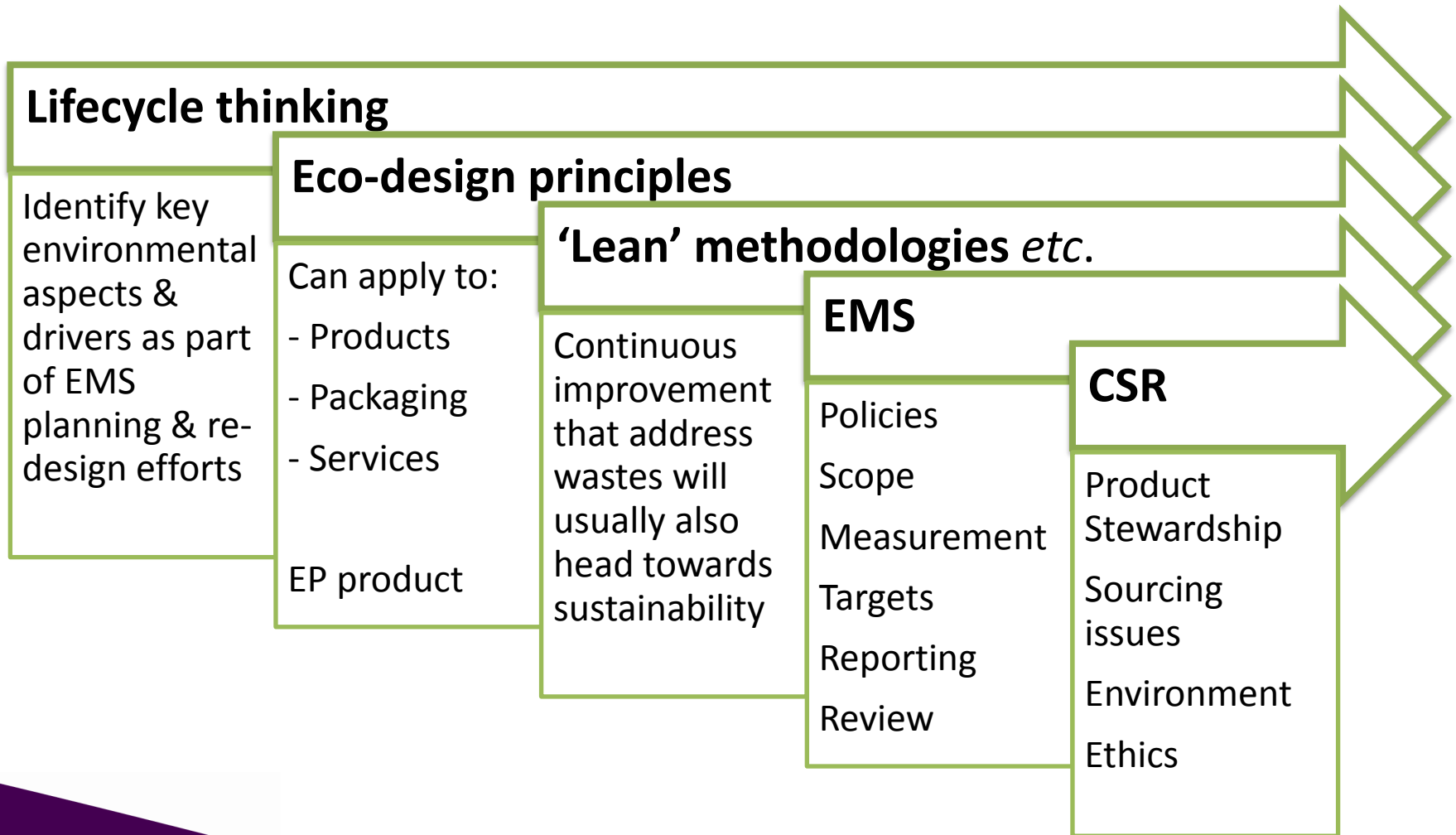
## Supply EP product

15

<15% reported supplying any EP (self-assessed)

(Low awareness of certification possibilities)

# Tools for use through the supply chain

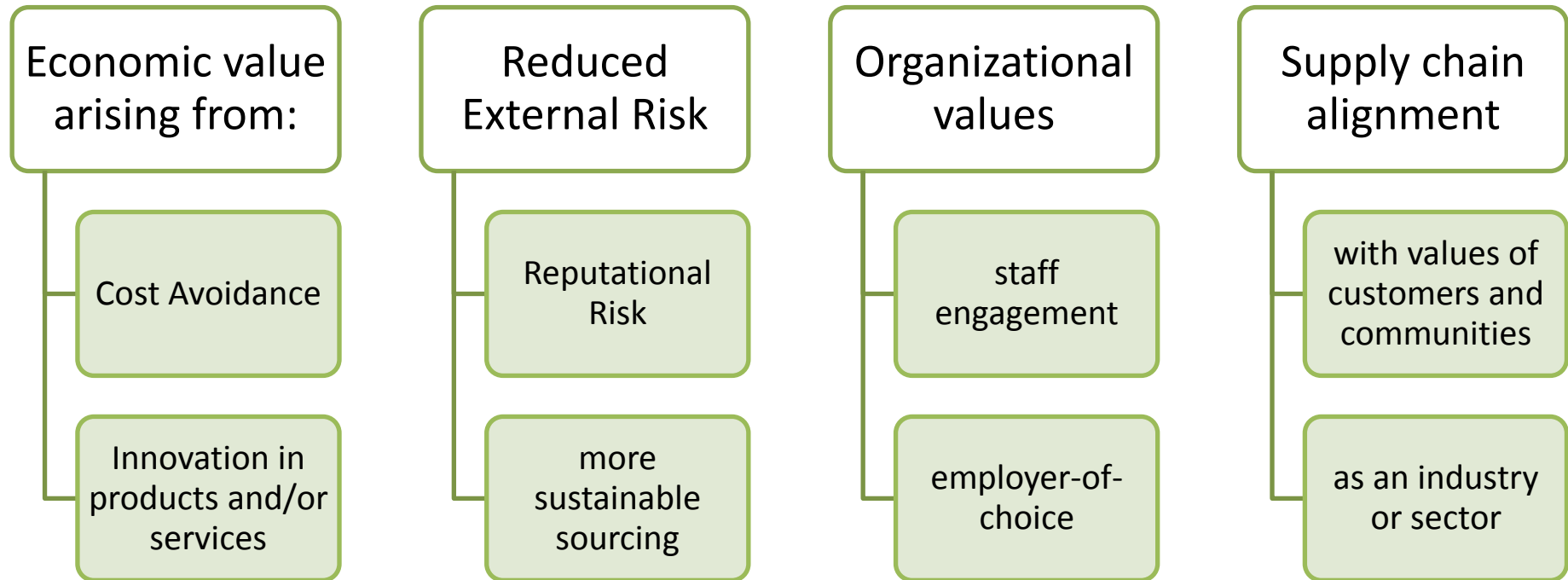


# Conclusions

# Moving towards Green Health

1. Begin with the end in mind
2. Think back from this to the current situation
3. Move step by step towards your vision

# Some of the benefits of engagement with sustainability ...





HPV is increasingly seeking to integrate proper consideration of sustainability issues in our procurement process

## HPV is

- ...assessing environmental management by suppliers
- ... seeking to identify environmentally-preferable product options to health services
- ... helping health services to obtain best value through their supply chains

# Future resources

Coming soon – see HPV News for updates:

- Information sheets
- Links to other resources
- Tools & guides for health services

<http://www.hpv.org.au>

Thank you!



Phone: 03 9947 3720

E-mail: [j.hopewell@hpv.org.au](mailto:j.hopewell@hpv.org.au)