## **Letter from America**

We had a great 3 days at the <u>Sustainable Purchasing Leadership Council</u> in Atlanta, Georgia in July 2023. SPLC is a well established, non profit organisation comprising members with a common interest in sustainable procurement.

We saw some great presentations from a wide variety of sectors, some more mature than others in their sustainable procurement journeys. Some of the challenges faced are very similar to organisations the world over:

- **Executive buy-in.** Persuading senior management of the case for sustainable procurement presents a challenge the world over. This situation is improving but there is still a long way to go. Pressure from investors and consumers is helping, as is the policies coming from the current federal administration.
- Government influence. As a non-American I knew very little about the Inflation Reduction Act. This is a \$multi-trillion programme of federal investment in a green economy. There is a \$250M fund to help businesses to have Environmental Product Declarations (EPDs). This is anticipated to deliver a massive reduction in embodied carbon over time. TThe coincides with a major drive through public procurement in all federal government procurement agencies (the world's largest purchaser). This approach could establish the USA as a leader in the field of embodied carbon. However, there seems to be a big emphasis on embodied carbon in buildings and less on energy consumption in use. We need both.
- **Big business setting the agenda.** Although the government is coming to the party, large businesses have been driving the agenda despite government policy. More enlightened businesses have been driving the low carbon agenda for some time.
- **F gas failure.** I was astonished to attend a presentation on the Global Warming Potential of HFC gasses in refrigeration and air conditioning along with encouragement to organisations to reduce reliance on them. These are substances banned in the EU and many other countries years ago. It seems USA has some catching up to do in this area.
- **Chasing the tail.** Most of the presentations we saw articulated a similar challenge. Most supply chains in most sectors comprise a small number of organisations at the top of the value chain and a very large number of small organisations at the bottom. The challenge to reach beyond Tier 1 is common to all. This is just not about contractual flow-down but about genuine engagement and upskilling the supply chain at an unprecedented scale. Engaging the "tail" of smaller suppliers lower down the value chain is significant and requires collaborative effort.

Outside the conference, just experiencing the culture in USA, I get the impression they are still behind Europe but catching up fast. Single use plastics proliferate in hotel rooms, stores and other places, we saw far fewer electric vehicles than you would expect to see in most parts of Europe (particularly Scandinavia) and less evidence of renewable energy such a solar panels on buildings. However, the tide is turning, and I expect a big improvement in a very short time.

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