

Submission to the New Zealand Government on the Proposed new Procurement Rules

Introduction

This submission recommends the New Zealand Government implement efficient and effective Sustainable Public Procurement (SPP) practices, leveraging its ecolabel, Eco Choice Aotearoa.

SPP integrates environmental, social, and economic considerations into government purchasing decisions, serving as a powerful, non-regulatory tool to incentivise responsible business practices.

The International Organization for Standardization's definition of sustainable procurement is as follows:

"The procurement of goods, services, works, and utilities that considers the environmental, social, and economic impacts over the entire lifecycle of the product or service. This approach seeks to ensure that purchasing decisions promote positive outcomes for the environment and society while meeting the needs of the organisation."

SPP is endorsed by entities such as The World Bank for its capacity to drive market transformation, foster innovation, and deliver long-term value.

Independent ecolabels like Eco Choice Aotearoa, are crucial to SPP, providing clear, reliable information on the environmental performance of products and services, simplifying green purchasing and enabling procurers to make informed choices.

About the Submitters

1. [Eco Choice Aotearoa](#) is the country's official ecolabel, trademarked by the Ministry for the Environment. Previously known as Environmental Choice New Zealand, it was established by a National-led Government in 1992, and operates as an independent non-profit.

Eco Choice Aotearoa helped found the Global Ecolabelling Network (GEN) a membership of other, mostly Government affiliated ecolabels aligned with International Organization for Standardization (ISO) 14024. Eco Choice takes science-backed, lifecycle approach to certifying products and services, ensuring they are:

- Environmentally preferable compared to others on the market;
- Do not make false claims (greenwashing);
- Have transparent supply chains and policies to identify and prevent modern slavery;
- Do not pose undue risk to human health (chemicals of concern etc.);
- Fit for purpose.

Due to resource constraints, Eco Choice Aotearoa has maintained a primary focus on building and cleaning products. Historically, New Zealand Green Building Council and Gov 3 have provided market drivers for these. However, as outlined in a 2024 review of the ecolabel by Eunomia and Berl (commissioned by the Ministry for the Environment) there is ample opportunity to expand into other categories, with Government support.

Eco Choice does not receive Government funding. Its sole source of income is through annual license fees, paid by those that successfully earn the ecolabel.

2. [Hempel](#) is a global company which acquired **Wattyl Australia and New Zealand** in April 2021. Together, Hempel and Wattyl are creating a strong platform for continuous growth in New Zealand and Australia, building on more than 200 years of joint expertise in high-performing paints and coatings. Wattyl's products have held the Eco Choice Aotearoa licence since 2009.
3. [NZ Panels](#) manufactures quality panel solutions under brands like **Prime Panels**, **Bestwood**, and **Dezignatek**. With a strong focus on responsible sourcing, NZ Panels has been certified by **Eco Choice Aotearoa** for 15 years, demonstrating an unwavering commitment to environmental sustainability in New Zealand.
4. [Laminex New Zealand](#), a division of **Fletcher Building**, is a leading supplier of premium surface solutions for residential and commercial interiors. Laminex is committed to innovation, responsible sourcing, and local manufacturing. Its **Eco Choice Aotearoa** certification recognises Laminex's reduced impact on the environment.
5. [Winstone Wallboards](#), the manufacturer of **GIB®**, has been New Zealand's trusted leader in interior lining systems for more than 90 years. Part of the **Fletcher Building** group, Winstone Wallboards is currently pursuing certification with **Eco Choice Aotearoa**, reflecting the company's commitment to environmental responsibility across the lifecycle of its products.
6. [SaveBOARD](#) turns composite packaging waste and soft plastics into high-performance, low-carbon building materials. By using 100% recycled and locally sourced waste, SaveBOARD creates durable, cost-effective alternative construction boards with zero additives, glues, or resins. SaveBOARD's range is certified by Eco Choice Aotearoa. Its founder Paul Charteris was a 2025 Spark Innovator of the Year finalist.
7. [Critical](#) is a Māori-owned company that transforms hard-to-recycle plastics into Cleanstone panels—durable, low-carbon materials used in interior fit-outs and furniture. Critical's range of products are certified by Eco Choice Aotearoa. Since 2018, the company has diverted over 450 tonnes of plastic waste from landfills, turning it into valuable construction materials.
8. [Daikin New Zealand](#) has provided premium HVAC solutions for more than 45 years, blending global Daikin Group innovation with local understanding. They design high-performance, energy-efficient systems using next-generation refrigerants and low-carbon technologies to improve air quality while minimising their environmental footprint.
9. [The Sustainable Business Network](#) is Aotearoa New Zealand's largest and longest-standing network dedicated to creating a sustainable future through business. SBN empowers organisations of all sizes to thrive by adopting sustainable practices, connecting them with expertise, resources, and a community of like-minded leaders.
10. [TCO Development](#) is the organisation behind TCO Certified, a globally recognised sustainability certification for ICT products. With over 30 years of experience, TCO drives environmental and social responsibility throughout the product lifecycle, covering four key areas: climate, substances, circularity, and supply chains. TCO Certified helps purchasers make responsible choices, reduce risks, and meet sustainability goals through comprehensive criteria and independent verification. It certifies products from global brands such as HP, DELL, Lenovo, ASUS, Acer and others. TCO and Eco Choice have a strategic partnership in place to support sustainable ICT and the use of ecolabels in New Zealand.

Sustainable Public Procurement and the utilisation of ecolabels

The 2024 Eunomia/Berl report (referenced above) specifically highlights the opportunities and benefits of leveraging Eco Choice Aotearoa for SPP. It states...

“The purpose of ecolabels in government procurement is to facilitate the identification and selection of environmentally preferable products and services by government agencies. These labels serve as a tool to support sustainable procurement practices and align government purchasing decisions with broader environmental objectives and policies. The use of ecolabels in government procurement can serve several important purposes:

- *Ecolabels provide standardised environmental criteria and performance metrics that government agencies can use to evaluate products and services. These criteria often cover various aspects of environmental impact, such as resource use, energy efficiency, emissions, and waste management.*
- *Government procurement processes often require compliance with environmental regulations and sustainability standards. Ecolabels offer a transparent and recognised method for demonstrating compliance with these requirements, reducing the administrative burden for both suppliers and government agencies.*
- *By incorporating ecolabels into procurement practices, governments can promote sustainable consumption and production patterns. This helps drive market demand for environmentally preferable products and services, encouraging innovation and investment in sustainable technologies and practices. The use of ecolabels in procurement also demonstrates leadership and normalises their use.*
- *Ecolabelled products and services may offer cost savings over their lifecycle by reducing resource consumption, energy usage, and waste generation. Government agencies can benefit from lower operating costs and improved efficiency by choosing ecolabelled options.*
- *Government agencies are accountable to taxpayers and stakeholders for their procurement decisions. Using eco labels demonstrates a commitment to environmental stewardship and responsible spending, enhancing the public image of the government and promoting transparency and accountability in procurement practices.*

The Eunomia/ Berl report also found Eco Choice’s ability to scale has been... *“...hindered by an operating environment that does not facilitate uptake of Eco Choice (or other independent labels). The most effective arrangement in terms of the future relationship between Eco Choice and government therefore depends to a large extent on the degree to which there is wider product policy support (in particular green public procurement and addressing issues around green claims). Our primary recommendation therefore would be to address the larger context to create the conditions for success for the label.”*

Rewarding responsible businesses

Effective implementation of Sustainable Public Procurement (SPP) is a strategic tool to foster a more sustainable and innovative business sector. By prioritising sustainable goods and services in government purchasing, it creates a clear market advantage for responsible businesses.

SPP rewards those demonstrating environmental and social excellence through preferential tendering increased market demand, and long-term contract opportunities. Conversely, the current lack of robust SPP implementation leaves sustainable businesses without incentives, hindering their growth and undermining the Government’s commitment to a thriving, responsible economy.

Feedback from businesses on integrating Eco Choice Aotearoa into Government procurement:



“As a large NZ manufacturer of interior products, the Eco Choice Aotearoa licence has proved its value to our business. However, it would be significantly more valuable if recognised by Government Procurement processes which seem to overlook NZ made or more environmentally friendly products on a regular basis.

The rigorous and independent ECA assessment process provides our products with an (RPV) Responsible Product Value which is essential for inclusion in any Homestar and Greenstar projects. It also acknowledges our commitment to continually improve our environmental footprint and be conscious of the health impacts of our products and the legitimacy of our supply chain partners and the material claims they make.

We have invested heavily in this programme for 15 years and it has been disappointing to see the Government itself has not recognised the value it provides. Certainly, the New Zealand architecture community does.

*Eco Choice Aotearoa deserves to be a standard consideration for Government Procurement processes and we would argue requires significantly more funding support to expand its licensing beyond the current product set.” - **Desiree Keown, Marketing & Sustainability Manager, NZ Panels Group***

“Government procurement has a significant impact on New Zealand businesses and could also act as a leading example of sustainable procurement.

The proposed change to the Government Procurement Charter, clause 2, removes the requirement to have “respect for the protection and preservation of the environment, reducing waste, carbon emissions and pollution”. We feel that respect for the environment should be a key pillar of government procurement. This approach would align with our commitments to the Paris Climate agreement and the United Nations Sustainable Development Goals (SDGs).

In addition, requiring businesses to provide evidence of their sustainable environmental practices will encourage New Zealand business to continue and develop world class practice in this area which can improve their global competitiveness.

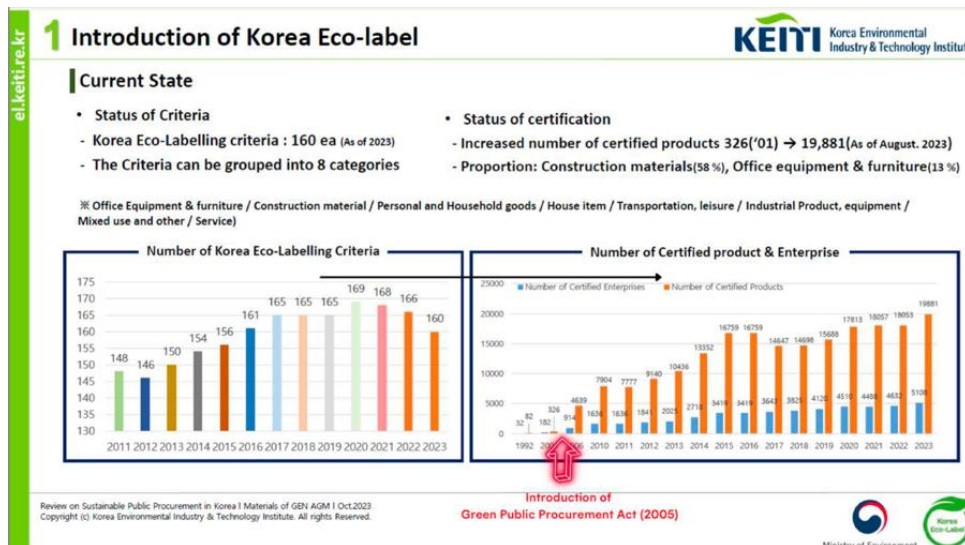
*Government should consider recognised environmental standards, frameworks and measures such as, a commitment to the Science Based Target initiative (SBTi), Life Cycle Assessments to scientifically measure environmental impacts, Level A Ecolabels (ISO 14024) such as Eco Choice Aotearoa and a demonstrable adherence to SDGs.” – **Mark Stevens, General Manager B2B, Essity***

Watch video testimonials from more New Zealand businesses: <https://tinyurl.com/yvuaz4hr>

Other Jurisdictions

Korea: The Korean Government’s ecolabel KEITI, like Eco Choice Aotearoa, was established in 1992. KEITI experienced substantial growth after implementing the 2005 Promotion of Purchase of Green Products Act. This legislation required public institutions to prioritise environmentally preferable products and services, contributing to Korea’s transition to a low-emission, circular economy.

In just 12 months, KEITI's certified product range increased from 326 to over 4,500. It now certifies more than 20,000 products and services. Korea is targeting 60% ecolabelled government procurement by 2030.



A 2019 study (<https://tinyurl.com/yc5pbrhh>) by KEITI and the United Nations Environment Programme found SPP had been directly responsible for:

- Reducing carbon emissions by 665,000 tonnes in 2017
- Yielding USD\$60 million in economic savings
- Generating 4,415 new 'green' jobs

EU: The European Union Public Procurement Directives (<https://tinyurl.com/2vx6s7pw>) provide a legal framework that allows and encourages public authorities to include sustainability criteria in their procurement processes. These directives ensure environmental and social factors can be considered alongside cost and quality when selecting products and services.

A central aspect of the EU's approach is the promotion and use of ecolabels to help procurers identify sustainable products. EU Ecolabel is recognised across all member states and like Eco Choice, sets strict environmental and performance criteria for a wide range of goods and services. Public authorities are encouraged to reference the EU Ecolabel in tenders, making it easier to select products with verified environmental benefits. Additionally, national ecolabels, such as Germany's Blue Angel, are often used alongside the EU Ecolabel to support sustainable purchasing decisions.

To facilitate the adoption of sustainable procurement, the EU provides extensive guidance, training and tools. It also monitors the impact of sustainable procurement through reporting mechanisms and sustainability assessments.

Netherlands: In 2019, the Dutch central government adopted its strategy "[Procurement with Impact](#)" with the aim of significantly reducing its environmental footprint by 2030, and making ten business categories circular (including ICT) by means of strategic procurement.

The Netherlands, like other EU Member States, has long utilised credible ecolabels and certifications in procurement, to support specific environmental and social sustainability targets, as well as to comply with EU regulations, such as Articles 40, 43, 67 and 70 of [Directive 2014/24/EU](#); EU GPP Criteria for [computers, monitors, tablets and smartphones](#) (2021); [Public procurement for a circular economy](#) (2017).

A key part of the Procurement with Impact strategy has been the mandatory requirement for all new ICT products (excluding accessories) to be TCO Certified.

In 2021, the Impact strategy was found to have:

- Reduced carbon emissions by 17%, compared to 1990.
- All 13,527 purchased laptops, tablets and smartphones were certified by TCO, leading to:
 - ⇒ 4,400 kg less e-waste
 - ⇒ 46-tonne decrease in CO₂
 - ⇒ Recycled raw materials (gold 1.5 kg, copper 5,700 kg, silver 15.5 kg and palladium 600gr)
- The lifecycle of the purchased ICT products was extended to a minimum of 4 years up to 10 years, depending on the product.

Read the full case-study: <https://tinyurl.com/4p3njys2>

Switzerland: Switzerland, an ACCTS partner, integrates international sustainability goals into its procurement policies, while allowing regional and local authorities flexibility in implementing sustainable practices. The Federal Act on Public Procurement aims to ensure the cost-efficient use of public funds in an economically, ecologically, and socially sustainable manner.

A central aspect of Switzerland's strategy is the use of recognised ecolabels to inform procurement decisions. The country acknowledges international ecolabels like the EU Ecolabel and Germany's Blue Angel, as well as its own national labels, such as naturemade for renewable energy and ibex fairstay for sustainable tourism. These labels assist public authorities in selecting environmentally and socially responsible products and services, ensuring alignment with Switzerland's broader sustainability goals.

United States: The U.S. Federal Purchasing Program (<https://tinyurl.com/4c5xpeen>) is designed to help federal agencies make environmentally responsible purchasing decisions by recommending products that meet high sustainability standards. It ensures compliance with sustainability requirements by recognising credible ecolabels and certifications.

The program works by rigorously evaluating and endorsing specific ecolabels, which guide federal purchasers toward products with lower environmental impacts. The program has recommended Eco Choice Aotearoa to federal purchasers for many years. Ironically, the New Zealand Government has never explicitly endorsed the ecolabel.

Japan: Japan's Green Purchasing Law (<https://tinyurl.com/mun9a29c>) requires national and local governments to purchase products and services that meet specific environmental criteria. The Ministry of the Environment (MOE) maintains a Green Procurement List, which includes designated products that comply with sustainability standards. These cover categories such as office equipment, construction materials, and transportation.

Ecolabels play a crucial role in Japan's SPP strategy. The country's leading certification, the Eco Mark, is widely used to guide procurement decisions. Additionally, Japan recognises other international ecolabels, ensuring that procurement choices align with global sustainability standards.

Japan also integrates circular economy principles into procurement by encouraging the selection of recycled, energy-efficient, and low-carbon products. The government monitors SPP impact through annual reports and evaluations, tracking the adoption of green procurement practices and their environmental benefits.

Previous advocacy efforts

For many years, Eco Choice Aotearoa has advocated for its explicit inclusion and endorsement in the Government’s Procurement Rules. MBIE has declined, for two reasons.

	Concern	Response
1.	MBIE does not want to show favouritism toward a particular ecolabel or certification	This is why the ecolabel was established, operates as a non-profit and utilises independent third-party auditors. As outlined above, this is exactly how other countries utilise their ecolabels. Further, Eco Choice is not advocating for exclusivity. Other similarly robust ecolabels and certifications, such Forest Stewardship Council (FSC) and those involved with the Global Ecolabelling Network should be considered. This is the approach taken by the likes of EU and the U.S.
2.	Eco Choice Aotearoa does not cover enough product categories/ provide enough choice.	There is currently little incentive for businesses to pursue an LCA based ecolabel. Government procurement was always intended to be the ‘carrot’. Korea’s ecolabel KEITI struggled with uptake, until the Government adopted SPP in 2005.

Economic benefit

Sustainability enhances long-term profitability and resilience. The assumption that sustainable options are always more expensive often overlooks the significant savings achieved through reduced energy consumption, lower maintenance costs, decreased waste disposal, and avoidance of environmental remediation expenses.

The World Bank’s *Procurement Guidance 2024* (<https://tinyurl.com/4fhfbutc>) found that the bid with the lowest upfront price ultimately turned out to be the most expensive over a 15-year period.

A key mechanism for realising economic benefits and advancing sustainable procurement is the strategic integration of ecolabels, which offer several advantages:

- Promote fair market competition by establishing consistent standards across producers;
- Support business continuity by fostering resource efficiency and long-term planning amid economic uncertainty;
- Strengthen supply chain resilience by prioritising product longevity and ease of repair;
- Empower government policy and procurement to drive sustainability outcomes effectively.

Making better choices for people, planet and budget

A common misconception about sustainable procurement is that it comes with a higher price tag. Will&Able prove this isn't the case.

On a mission to create jobs for people with disabilities, the social enterprise manufactures quality cleaning products – and many are certified by Eco Choice Aotearoa. According to the procurement team at the Department of Corrections, the price of Will&Able products is comparable and at times, even more affordable. However, price alone isn't the only reason they were chosen.

“Working with businesses like Will&Able is the right thing to do. The ESG benefits of sustainable procurement often outweigh any minor cost increase”

— Tod Cooper, Head of Procurement at the Department of Corrections.

Corrections is responsible for 26 prisons, looking after the procurement of everything – from buildings and toiletries to clothing and mattresses. It works with around 2,000 suppliers and spends over NZD\$1 billion each year. Buying power at this scale can have a huge impact on small, responsible businesses.

“Getting traction with government procurement isn't easy and comes down to finding people prepared to challenge the norm. Luckily for us, Corrections could see that by making a small change, there would be significant benefits, such as the reduction of harmful chemicals being used and delivering jobs to people who'd otherwise not be working”

— Craig Burston, General Manager at Will&Able.



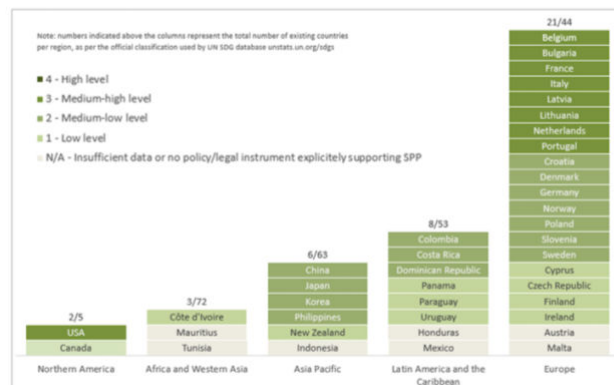
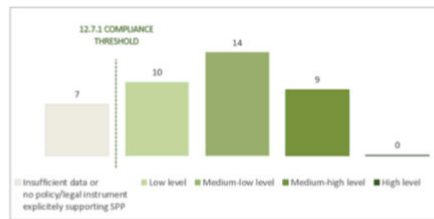
Sustainable Procurement Toolkit for Governments and Businesses

The European Union and other governments equip public procurers with tools and regular training to integrate sustainability into purchasing and measure its impact effectively.

In 2024, Eco Choice Aotearoa self-funded its Sustainable Procurement Toolkit for Governments and Businesses (<https://tinyurl.com/yhejwfwj>) in partnership with the New Zealand Procurement Excellence Forum (PEF) and Edge Impact. This free resource should be widely adopted by government departments. Eco Choice and its partners are well-positioned to expand on the toolkit, and deliver training sessions to further embed sustainable procurement practices.

International obligations

As a signatory to the United Nations Development Goals, New Zealand has an obligation to implement a robust sustainable public procurement programme (Goal 12.7). However, during the UN's most recent data collection (2020/21) it categorised New Zealand as having a “low level of implementation” with it lagging behind many other countries (<https://tinyurl.com/35peu4hc>)



The proposed Procurement Rules will not improve New Zealand's position in regards to SDG 12.7. Furthermore, the rules undermine the country's participation in the Agreement on Climate Change, Trade, and Sustainability (ACCTS).

ACCTS's integrity relies on signatories demonstrating their commitment to sustainability through tangible action. If New Zealand fails to advance SDG 12.7, partners may see this as a de-prioritisation of its ACCTS obligations. With ecolabelling being an integral part of ACCTS (<https://tinyurl.com/546br29c>) the ongoing neglect of Eco Choice Aotearoa—the country's only Type 1 (ISO 14024) ecolabel—weakens New Zealand's credibility and perceived commitment to sustainable trade.

Recommendations

1. Establish a Comprehensive Sustainable Public Procurement Framework

- Integrate environmental, social, and economic considerations across all procurement stages.
- Draw from international best practices, such as SPP programs in Korea, the EU, and the US.
- Expand Eco Choice Aotearoa to cover a broader range of products and services.
- Provide procurers with adequate training and resources, including Eco Choice Aotearoa's Sustainable Procurement Toolkit, and initiate workshops through Eco Choice Aotearoa and its partners.

2. Leverage Eco Choice Aotearoa & Support Responsible Kiwi Businesses

- Prioritise Eco Choice Aotearoa-certified goods and services in the Procurement Rules and guidance to streamline sustainable purchasing.
- Address certification gaps by collaborating with Eco Choice Aotearoa to develop new product/service categories.
- Establish a transparent vetting process for other rigorous certification schemes (e.g., Global Ecolabelling Network members, FSC).

3. Track & Measure Impact

- Develop a reporting framework for government departments using UNEP and other resources to collect impact data.
- Strengthen Eco Choice Aotearoa’s data capabilities to provide relevant sustainability insights to the government.
- Include procurement performance metrics in UN reporting for SDG 12.7.

4. Prioritise a Low-Emissions, Circular, & Equitable Economy

- Retain Rule 20 (Transitioning to a net zero emissions economy and designing waste out of the system <https://tinyurl.com/yjubwzyv>) integrating robust implementation, tracking, and measurement.
- Continue to require all new non-residential government buildings meet specific green standards/ utilise Eco Choice Aotearoa certified products and services.
- Mandate the Living Wage or equivalent for suppliers.
- Require all suppliers to have effective Modern Slavery policies in place.

5. Redefine “economic benefit” and “public value”

- **Economic Benefit:** Long-term financial value achieved by balancing cost-effectiveness with sustainability, fostering a resilient New Zealand economy by reducing lifecycle costs, driving green innovation, supporting local industries, and mitigating environmental risks.
- **Public Value:** Long-term benefits for New Zealanders derived from government spending that strengthens economic resilience, social well-being, and environmental protection.

Additional resources:

- Sustainable Public Procurement: How to Wake the Sleeping Giant (United Nations Environment Programme) <https://tinyurl.com/42kkccza>
- Assorted guidance documents and sample contracts/ TORs (World Bank) <https://tinyurl.com/yxrsfmbm>
- Sustainability and circularity as a starting point for ICT procurement (Ministry of Economic Affairs and Climate Policy, Netherlands) <https://tinyurl.com/tz9x6zhy>
- Environmentally Sustainable Procurement Policy and Reporting Framework 2024 (Australian Government) <https://tinyurl.com/5n8fsrwz>

Contact:

If you require any further information, or the opportunity for oral submissions arises, please contact Eco Choice Aotearoa’s Chief Executive Officer Laura Gemmell Laura@ecochoice.org.nz