

Charting the path to a more sustainable government

Priorities for reducing federal supply chain greenhouse gas emissions

CGI



Agency leaders must take concrete action now to reduce greenhouse gas emissions and meet the objectives of the Federal Sustainability Plan.

In the ongoing battle to combat climate change, U.S. federal agencies are re-evaluating opportunities to reduce greenhouse gas (GHG) emissions across their operations.

[Executive Order 14057](#) and the accompanying [Federal Sustainability Plan](#) outline an ambitious goal of achieving net-zero emissions across federal operations by 2050, with most of the reduction—65%—to happen by 2030.

If the government is to meet its net-zero goal, federal agencies need to move more urgently and aggressively. They must undertake focused efforts across all aspects of their operations.



Agencies must understand and address three different emission “scopes”.

Globally, entities across all levels of government and commercial organizations measure their GHG emissions using the Greenhouse Gas Protocol, the de facto international standard for GHG accounting. The protocol recognizes the importance of accounting for all sources of GHG emissions depending on their origin. As such, the protocol categorizes emissions into three scopes.

Scope 1	Scope 2	Scope 3
<p>Direct GHG emissions from sources that the agency owns or controls</p>	<p>Indirect GHG emissions resulting from the generation of electricity, heat or steam purchased by a federal agency</p>	<p>Indirect GHG emissions from sources not owned or directly controlled by a federal agency, but related to agency activities</p>
<p>Examples:</p> <ul style="list-style-type: none"> • Fuel combustion in government fleet vehicles and equipment • Fuel combustion in government-owned/controlled stationary sources (e.g., furnaces, boilers, and generators) • Onsite landfills and wastewater treatment in government-owned/controlled facilities 	<p>Examples:</p> <ul style="list-style-type: none"> • Purchased electricity used in buildings • Purchased heating and cooling • Purchased steam 	<p>Examples:</p> <ul style="list-style-type: none"> • Transmission and distribution losses from purchased electricity • Purchased goods and services • Business travel • Employee commuting • Contracted solid waste disposal • Contracted wastewater treatment

The complexity of Scope 3 GHG emissions

Federal agencies report on their energy, electricity, water and fuel usage to the Department of Energy's Federal Energy Management Program (FEMP). The Office of Management and Budget (OMB) publishes these results annually via Scorecards for Efficient Federal Operations/Management including calculated Scope 1 and Scope 2 GHG emissions. Scope 3 emissions have not been part of the FEMP reporting to date, but the government has recently begun focusing on Scope 3 GHG emissions within its supply chain.

In coordination with the Council on Environmental Quality and OMB, the General Services Administration (GSA) is working to develop tools to establish appropriate baselines and assist agencies in setting Scope 3 targets. As agencies wait for these tools, they should begin to determine which Scope 3 categories are material for their administrative operations (and mission).



Charting the path to a more sustainable government

Systems and methods put in place to track, report (and ideally also project) government-wide and agency-specific Scope 3 emissions should be developed in ways that allow federal agencies to estimate and publicly report out on their Scope 3 emissions as well as to identify those Scope 3 emission savings resulting from targeted emission reduction policies, projects and programs.

While there are 15 total categories of Scope 3 emissions, focusing on the following four categories promises to deliver the most meaningful impact, considering both the scale of emissions and the reduction potential.

Note: The relative importance of these categories can vary depending on the specific agency's activities. For example, the Department of the Interior, with its geographically dispersed workforce, may prioritize employee commuting programs while the Department of Defense might have a larger impact from the transportation of military equipment.





Purchased goods and services

Federal agencies spend over \$600 billion annually on goods and services, from office supplies to technology to machinery and construction materials. Each of these comes with embodied emissions throughout their lifecycle.

While waiting for federal guidance, agencies can reduce emissions associated with the supply chain by prioritizing vendors with strong sustainability practices and expanding the purchasing of eco-friendly and energy-efficient products.



Employee commuting

With a large and geographically diverse workforce, employee commutes can be a significant source of emissions. Federal agencies are located across the country and across the globe, often in areas with few public transportation options.

Agencies can encourage more sustainable commuting options for employees by offering subsidies for public transportation, carpooling or electric vehicles plus charging infrastructure.



Business travel

Business travel often involves flights, car rentals and hotels, which can be very emissions-intensive per person. In 2022 alone, federal employees took more than 2.8 million flights, 2.3 million vehicle rentals and 33,000 rail trips.

Broad adoption of collaboration technologies reduces the need for travel, thus reducing emissions.



Waste from operations

Disposal of solid waste—from paper and electronics to food scraps—contributes to Scope 3 emissions. Landfills generate methane, and waste incineration releases greenhouse gasses.

Minimizing packaging, prolonging the life of equipment, and sharing resources between agencies reduces the amount of solid waste.

Maximizing recycling, composting and proper disposal procedures helps minimize emissions from landfills.

Agencies must be deliberate and data-driven to validate that actions are achieving desired sustainability results.

The ability to reduce GHG emissions associated with the business of the federal government—Scopes 1, 2, and 3—requires strong collaboration between policymakers and programs as well as budget and procurement professionals. Agencies should consider the following when it comes to readying the workforce to make government operations more sustainable.

CGI stands ready to assist agencies in their journeys to more sustainable operations. Learn more at <https://www.cgi.com/us/en-us/federal/federal-sustainability-services>



Sustainable procurement

Embed sustainability into federal buying. Agencies don't have to wait for proposed updates to Federal Acquisition Regulation rules before they move away from unsustainable products and services.

Ensure that acquisitions staff know about resources such as the [GSA Advantage Environmental Aisle](#), the [Green Procurement Compilation database](#) and [EPA's Sustainable Marketplace: Greener Products and Services](#) website.



Workforce education

Expand agency staff knowledge of key sustainability principles in general and specific to their roles. The Office of Personnel Management (OPM) is tasked with [incorporating sustainability principles into existing federal training programs](#). This could involve creating new modules focused on climate preparedness and environmental responsibility or integrating sustainability concepts into leadership training programs



Life cycle costing

Expand use of life cycle costing and environmental budgeting frameworks. In assessments, move beyond financial costs and consider environmental costs (emissions, resource use) and social costs (community impact) throughout a project's lifespan. This guides investments towards sustainable options with long-term mission and environmental benefits.

About CGI

Insights you can act on

Founded in 1976, CGI is among the largest IT and business consulting services firms in the world. We are insights-driven and outcomes-based to help accelerate returns on your investments.

Our 45+ year history serving federal customers gives us a unique vantage point from which to understand your challenges and move with agility to solve them. We operate at the intersection of bold thinking and disciplined execution to rapidly achieve uncommon outcomes at scale.

For more information, visit

cgi.com/federal

© 2024 CGI Inc.



CGI