GREEN PROCUREMENT WORKSHOP

Summery Notes from April 26th, 2019

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1. Declaration CAC Survey Actions Results

Top 3 Priority Actions from all categories/goals:

1. Electric Vehicle/Zero Emission Vehicle Municipal Strategies (corporate and community focus) – 21 responses
2. Building Resilience to Extreme weather – 20 responses
3. Climate & Energy Action Planning (Plans/Progress Reporting) – 20 responses

N = 24 from 22 municipalities
In Green - All Municipality Voted High Priority;
In Orange - Most Municipality Voted High Priority

Goals	Highest Priority Action	High Priority Action	Medium Priority Action
1 Getting the Municipal House in Order	Corporate Energy Conservation – 18 r	Green Fleet Plans – 16r	Green Procurement – 10 r
2. Financing – advancing sustainable financing mechanisms	Development of Resilience Business Cases - 16r	Climate Change Integration into Stormwater Plans/Fees -15r	Distributed Energy Project Business Cases and Models 15r
3 Buildings – reducing GHG emissions from building sector and increasing resilience	Building Resilience to Extreme weather - 20r	Residential Energy Efficiency Retrofit Program -19r	Green Development Standard - 17r
4 Transportation – maximizing GHG reductions + co-benefits (policy/practices)	Electric Vehicle/Zero Emission Vehicle Municipal Strategies (corporate and community focus) - 21r	Active Transportation Policies/Plans - 21r	Sharing and Autonomous Vehicles -7r
5 Planning - incorporate climate change considerations into municipal decision making and service delivery	Climate & Energy Action Planning (Plans/Progress Reporting) - 20r	1. Municipal policies that support/discourage the implementation of distributed energy projects - 19r 2. Integration of Climate Change into Official Plans - 19r	1. Increasing Capacity and Use of Climate Lens - 18r 2. Integration of Energy Management, Climate Change, and Natural Capital into Asset Management Plans - 18r
6 Communication -increase the integration, transparency and rationale of climate decision making	Links between: Community Livability/ Economic Competitiveness/ Climate actions - 19r	Increasing integration of co-benefits and equity into climate action/community energy plans - 16r	Increasing transparency (Climate Change considerations in municipal decision making) - 16r
7 Emerging Area – ensure that CAC network are kept informed on emerging trends	Emergency Response to Extreme Weather -17r	Urban Heat Islands, Urban Forestry, and Air Quality (health and equity considerations) 16r.	Biodiversity Strategies - 17r.

2.   Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

1.   Background

GTA = 20% of Canada's GDP, where 10% comes only from Toronto and 10% from other regions.

30 % of Toronto Economy is divided in key sectors, which represents 1.7 million of total jobs in Toronto.

The key sectors are drivers of Toronto Economy and there are roughly 9 key sectors:

Aerospace	Design	Education
Fashion	Food & Beverage	Green
Life Sciences	Smart Cities	Technology

Some sectors are very well defined industry sectors, however Smart Cities and Green Tech Sector are not well defined.

2. Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

Green Sector in Toronto is dived into 5 sections:

Bio-Economy	**Urban sawmills, furniture made from urban wood, green chemistry (bio-plastics), bio-fuels.**
Clean Energy	**Solar, wind, batteries, district energy, smart thermostats, LED lights.**
Green Buildings	**Energy efficient windows, green roofs, builders.**
Resource Management & Environmental Protection	**Water supply and sanitation, recycling, solid waste, soil remediation, pollution controls, environmental monitoring.**
Sustainable Transportation	**Electric vehicles, bikes, scooters, buses, trains, and public transit.**

In reality these sectors have 19 different individual clusters.

For example, the Water Management cluster shown on slide 10 illustrates the connection with suppliers and each organization that plays a role in Water Management.

In Toronto, it is estimated that there are 31,000 jobs in the Green sector, where the annual growth of this sector is growing faster than any other sector (annual growth is 4%, for reference Toronto economy is growing with about 2%). That shows the significant of this sector.

2.   Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

2.   How are the numbers are derived? (eg. 31,000 jobs)

Trough Industries Classification Systems (NAICS)

For example, there is a tortilla manufacturing system in Canada (NAICS #31183). This system has all of the manufacturing companies. Which allows to identify how many workers are in the industry, the average wages, GDP, all sorts of information.

However, the challenge of Green Sector is that there are no identified Classification Systems.

That is why it is very difficult to understand where a company fits

For example, PV installer companies have no NAICS. However, there is a NAICS for electrical contractors, so they are found in the electrical system. Database shows that there are 30 companies of PV installers with 400 employees. (For reference there are 2 tortilla manufactories in Toronto with 7 employees – but they do have a NAICS).

Currently, there are 20 NAICS that define Green Sector in Toronto, which represents only 10% of employees found in the Green Sector.

 Municipalities care about what is happening with employment in the jurisdiction; So

-         **through land use planning many Planning Offices do an annual survey of employment lands to determine their use.**

-         Toronto Planning does the Toronto Employment Survey annually

-         **City staff have access to the raw data to undertake statistical analysis**

-         **We can "plug" our known green companies into the survey to find what NAICS codes they are in**

-         **We can then derive a "green intensity ratio" for each NAICS**

(eg. 400 electrical contracts in Toronto, 30 PV installer = 8% Green Electrical Industry (**Green Intensity number/ratio** can be used then with National Statistics to identify the size of Green Sector)

2.   Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

3.   Green Sector Globally growth (300% in 8 Years)

If Canada was to capture 1.6% of the global green market by 2025 then the sector would employee more people than the current automotive sector (130,000 direct jobs) in Canada

Competitive market:

- Canada is ranked 4th Globally on global indexes of innovation

- But the industry in Canada is very poor organized – Lack of strong structural organization puts Canada in 4th rather than 1st place

- The Global Cleantech 100 – 12 Canadian firms; only 2 are in Toronto

2.   Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

4.   Roadmap

Strategy – tells what needs to be done

Roadmap - what can be done with resources in place

Roadmap is done in partnership – academia, municipalities and etc.

19 different clusters need 19 different roadmaps.

The goal is that it will be find buy in across a cluster on 5 key actions that would better enable the cluster to grow.

Economic clusters are local supply chains that often exceed the boundary of a single municipality that is why it make sense to build clusters across a region. .

Steps:

Motivate – Persuade - Move

Why Roadmaps:

Example: Export Canada was looking for companies in water infrastructure to work in Argentina, without the Roadmap there was no knowledge that there is a water cluster in Toronto that would be well placed to advance that work.

2. Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

5. Cluster Development

From economic perspective

Sector is how an industry is classified – NAICS – those companies in the same NAICS would likely be competitors. Hard to get them to work together.

Cluster is a supply chain – not quite as competitive. More likely to get buy in to grow the cluster and diminishes the competitive focus.

Lack of Clusters in Canada

Canada has only one green cluster organization – Ecotech Quebec

Ontario has 40 industry organizations and 5 cluster organizations

Toronto has 2 cluster organizations

For reference Greater Copenhagen has 40 cluster organizations + catalogue

2. Rob McMonagle – Green Tech Clusters (Green Industries Road Map)

6.   Discussion:

- Municipalities have a critical role in starting the communication and do the asset mapping but a cluster has to be driven by the companies. For example, city of Toronto sent a person to TO Health to get them started working on the cluster, but after it was created the City takes a less active roles and leaves the companies to work on the cluster.

- Municipalities can have a strong impact on local economies.

- Stats Canada does not give information if the jobs are good jobs (quality). However, municipalities knowing all the companies in a cluster can ask those questions and have more qualitative data rather than just quantitative info collected by Stats Can.

- Green Economy is broader than Green Tech. Green Economy would include those business who are not producing green products/services but are greening their operations. Green Industry is the supplier of products/service that help others do green.

- What we (Green Sector Development Office) need is data from municipalities about their companies and we will do the mapping and the clusters! – the Chamber of Commerce can provide information on businesses.

- There is also the need to close to loop – municipalities do have purchase power that can support the Green Tech sector.

- Industry organizations could play a role in helping to bring need to bring companies and government together to explore options and opportunities.

3.   Natalia Adams, City of Mississauga, Sustainable Procurement Progress Update

Sustainable Procurement Policy

3 goals:

➢ Leadership – KPIs:
- staff training
- staff awareness,
- supplier engagement
- benchmarking with other municipalities

➢ Integration - KPIs
- Internally procurement center to track all procurements and which one include sustainability criteria
- Supplier Leadership Questionnaire

➢ Impact – KPIs
- Supplier Leadership Questionnaire – it is about who we are purchasing from – asking vender what they do to divert waste and GHG reduction
- Supplier Code of conduct – focus on ethical impacts where we make sure that venders comply with international standards

3.   Natalia Adams, City of Mississauga, Sustainable Procurement Progress Update

Next Steps:

- Focus on integrating social criteria into procurement

- Increasing sustainability practices at events

- Better ways to integrate environmental criteria into decision making

Discussion:

- The work started at the staff level but it has become a priority for the mayor and council.

- Work with companies – Mississauga started with awareness building. Hosting supplier events on sustainable practices. (At present participation is voluntary but we are looking at making it a mandatory requirement for companies that we purchase from.

4. Laura Hache, Youth Challenge International

Youth Challenge International are recruiting and training youth (ages 18-24) within the GTHA to become local climate leaders, run youth-led consultations to learn about community needs and understand initiatives/programs already underway, and then use those findings to run their own climate action projects. Then there is a final learning event/graduation next February to share-back what the youth leaders have discovered, and to share their recommendations to municipal policy makers.

One main goal of the program is to connect each local youth team (there will be 20 teams of 5 youth each) with municipal partners to help them learn about local climate change priorities and planning, provide support (& space) to run the youth-led community consultations, and potentially participate in some way at the final learning event.

Find out more here: