
Green Business Guidance

**Action
for
Sustainable Management**



Government of Gibraltar
Department of the Environment



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Introduction

Sustainable and Successful Business Plan

Having a good knowledge of the competitive market and ensuring that your business is financially sound are important parts of this, however, businesses are increasingly coming to realise that they also need to take into account the social and environmental impacts of their business operations.

Adopting a sustainable approach to the development of your business means making sure that the resources that you use and the effect you have on the wider environment today, do not damage prospects for future generations.

A sustainable approach is not only a question of spending money to minimise harmful impacts but also about making the most of opportunities to reduce costs and risks and in this way, responding to what many customers and others involved with your business want.

This guide highlights the benefits of making your business more sustainable and provides useful advice and information on how to go about making this happen.

Benefits of Green Business

Adopting a sustainable approach to business allows you to plan for long-term financial security and success. It also offers a wide range of specific business benefits: reducing waste and emissions does not just benefit the environment, it also results in significant cost savings. Simple steps like turning off equipment when it is not needed reduces your carbon footprint - and your energy bills.

Ensuring that your business complies with regulatory requirements and anticipates future legislation can reduce the costs and risks of non-compliance.

A sustainable approach can also improve the reputation of your business, the products and the services you offer. Many individual consumers prefer to buy from responsible businesses, while business customers may choose sustainable suppliers as part of their own commitment to sustainable development. A good reputation can help you attract and retain employees, and improves your standing with the local community. It can also make it easier to attract investors and to work with regulators.

Understanding the impact of your business

The key to making your business greener and more sustainable is to fully understand the range of impacts you have on the environment and society.

The most obvious impacts come from any pollution that your business causes and the waste it produces. You also need to consider your direct use of resources (e.g. water and raw materials) and energy. While the impact will undoubtedly be greatest for activities such as manufacturing, even offices can use and waste large amounts of energy and resources in their daily activities.

The following pages will outline a step by step approach to moving towards a sustainable business development model and highlight areas where savings may be made and opportunities exploited.



A 20% cut in energy costs represents the same bottom line benefit as a 5% increase in sales in many businesses
- Carbon Trust

A strategic approach to developing a green business

Adopting a strategic approach to green business can have far-reaching consequences on the way you do business. Sustainable development cannot be delegated to one or two people to take care of but requires commitment from top management and a real understanding of the strategic importance of sustainable practices to your business.

There are several key elements to consider:

1. Commit to sustainable development

To be effective, your sustainable development strategy requires top-level commitment. Management needs to recognise that sustainable development should not be viewed simply as a cost or a way of complying with legislation but as a method of improving your business, boosting profits and reducing your environmental and social impacts. Once this commitment has been established, you need to ensure resources are available to make things happen. You also need to ensure that sustainability is taken into account in your decision-making processes at every level.

2. Involve employees & other stakeholders

Taking into account the requirements of key stakeholders will help you develop a strategy that delivers the greatest business benefits. For example, individual consumers may prefer to purchase 'green' products from 'green' suppliers. Business customers may also prefer to source from more sustainable suppliers, as part of their own

commitment to sustainable development. Other key stakeholders include suppliers, employees, investors and regulators. In each case, understanding and reflecting their concerns can help you develop a more effective business strategy.

Employees can also be an important part of executing your plans, and may in any case want to help make the business more sustainable. It is worth considering training and incentives to encourage employees to support your strategy. You may find it useful to appoint one or more sustainability champions. This can help to maintain your commitment to sustainable development.

3. Meet your current & forthcoming legal obligations

Simply complying with legal requirements is not all you need to do to become more sustainable - but it is a starting point. Key regulatory requirements affecting your business include controls on pollution and waste. There are additional controls for businesses that present extra risks, e.g. if you use hazardous substances.

You should bear in mind that legislation increasingly encourages a more sustainable approach to business. For example, producers are now more responsible for the environmental impact of their products and packaging.

While complying with existing legislation is a must, it often makes sense to go further. Anticipating upcoming legislation, keeping an eye on issues getting media attention and making changes before you have to, gives you more time to adjust. It can also give you a competitive edge, e.g. by helping you get new, more sustainable products to market before anyone else.

4. Assess the environmental & social impact of your business

A strategic approach should look at the full impact your business has on the environment and society. This includes:

- your use of raw materials, water and other resources
- your energy use and its impact on climate change
- the waste and pollution your business produces
- the impact your business has on your employees and the local, wider and international community

You should take into account the impact you have throughout the full life cycle of your product or service, and across the whole supply chain. For example:

- Do you source sustainable materials from suppliers who are themselves committed to sustainable development?
- How much energy is used delivering materials to you - and delivering products to your customers?
- How are your products used and disposed of?

At the same time, you should look forward to anticipate how changing legislation and stakeholder requirements will affect you. Your suppliers and advisers can also help you keep up to date by identifying new, more sustainable technologies you can use. Assessing the impact of your business in this way helps you identify the best opportunities to make improvements.

5. Develop an environmental policy

An environmental policy is a written statement outlining a company's aims and principles in relation to managing the environmental effects and aspects of its operations.

The policy should:

- Contain a statement of the company's aims and objectives and should contain achievable targets
- Be endorsed and actively supported by senior management and accepted by all staff
- Allow management to communicate its aims and objectives to employees and other interested parties including shareholders, customers and suppliers.
- Form part of the business strategy

Some of the issues which you may wish to consider when developing your environmental policy are:

- Transport
- Recycling of packaging materials
- Minimising waste
- Efficient use of water & energy
- Use of paper/timber from sustainably managed forests

6. Monitor & report on environmental performance

Monitoring and reporting are key elements of a successful environmental management system. Measuring your current performance - in terms of energy and water usage and waste production etc - is essential if you are to manage it effectively.

Checking progress towards objectives lets you know whether your action plans are working. It lets you know when you have achieved your targets and when you need to set new ones.

Regularly reporting on this progress helps to ensure that sustainability remains a priority for your business and allows you to keep employees and other stakeholders informed.

Energy Efficiency

Energy consumption is the largest controllable outgoing in an office. Experience shows that simple good practice measures can easily reduce office equipment energy costs by up to 50% (Envirowise, www.envirowise.co.uk). The Envirowise website provides excellent links to how to carry out simple energy audits.

The practical actions listed below will not only save you money on your energy bills but will also reduce your carbon emissions and your contribution to climate change.

Leaving a PC monitor on overnight wastes enough energy to cook 6 microwave dinners

- Switching off equipment such as computers, printers and photocopiers when not in use should be a top priority. Leaving equipment on standby still wastes energy.
- Switch off lights when you leave the room and try to make use of natural light whenever possible. To that end try to keep windows clean and clear to make the most of daylight.
- Consider installing timers or sensors in areas that are not always occupied such as store rooms and toilets.
- Leave plenty of space around radiators, make sure windows and doors are completely closed and avoid turning up the heat excessively. Remember that heating costs increase significantly for every 1° C rise in temperature so instead of turning up the thermostat, wear an extra layer of clothing.
- Run a “switch off” campaign. It is always cheaper to switch off lights, no matter how short the time period.
- Replace traditional tungsten bulbs with energy efficient, compact fluorescent lamps and slimline tubes. They typically make immediate savings of 50% and last up to 10 times longer.
- Air conditioners should be set at 24° C when in cooling mode.
- Heating should be set at a maximum of 20° C.

Lighting an office overnight wastes enough energy to heat water for 1000 cups of tea

Transport

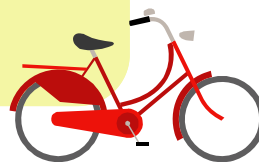
Transport is another major factor in Gibraltar in terms of emissions and energy use. Many companies in the UK are now implementing voluntary travel plans to reduce the costs and environmental impacts associated with business travel.

Local businesses should create strategic packages of initiatives to promote walking, cycling and public transport use and to reduce car use.

The benefits of reduced car travel are numerous including an improved image within the community and improved health and morale of the work force.

- Increase the use of communications technologies such as e-mail, tele- and video conferencing to cut down on unnecessary business travel
- Plan staff commitments and use easily accessible conference venues to reduce travel
- Investigate the feasibility of home working for relevant employees
- Improve facilities for cyclists and walkers.
- Promote car sharing by establishing a database or informal meeting for prospective car sharers.

...How many of us use our cars to make a journey of less than a kilometre? Every car journey produces harmful emissions and contributes to the traffic and congestion problems in Gibraltar. Next time you leave the house, think about walking, cycling or using the bus...



Water Efficiency

Potable water production in Gibraltar is predicted to increase by 3.48% by 2015, up to 4,850 m³ per day (Source: AquaGib).

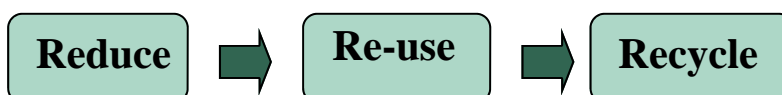
This is a significant increase and, given the fact that Gibraltar's potable water production is an energy intensive process, reduction of unnecessary water usage is of paramount importance.

Gibraltar uses saltwater in its sewerage system. Nevertheless, by introducing dual flush cisterns for toilets we can reduce the amount of saltwater used and reduce pumping costs.

The following practical tips will allow your organization to reduce its water wastage:

- Try installing taps that minimize water use such as motion sensor or push taps. A dripping tap can waste up to 30 drops per minute, this equates to 4,600 litres per year
- Leaks should be reported promptly as they are a major source of water wastage. Regular meter checks should aid in detecting minor leaks that sometimes go unnoticed for days on end.
- Using just the right amount of water when boiling the kettle or washing up will save both water and energy.
- Turn off taps fully - a 5mm stream of water wastes 528,000 litres (528m³) of water a year
- Get your environmental representatives to put up posters and reminders to conserve water and energy

Waste Reduction



Waste minimisation is also an essential part of the programme. Disposing of waste is a costly process and can significantly impact upon the environment. Excess waste production is usually due to inefficient use of resources therefore it needs to be addressed in order to safeguard both materials and the environment. Eliminating waste at source through careful purchasing and more effective use of materials is the best way to make dramatic reductions in your production of waste. Where this is not possible, organisations should follow the philosophy of reducing, re-using and recycling materials.

Waste minimisation tips:

- Use both sides of the paper when printing and photocopying
- Re-use envelopes for internal memos or send an e-mail instead
- Use the blank side of printed documents for draft material
- Refill or recycle ink cartridges
- Choose minimally packaged products or ask your supplier to supply products in less packaging
- Avoid purchasing disposable catering products such as plastic cups, paper plates and sugar sachets
- Encourage the re-use of plastic bags
- Ensure that special waste disposal procedures are in place for items such as old paint tins, oil containers, sanitary waste, batteries and electrical and electronic equipment. These can then be disposed of at the Government's site run by Gibraltar Community Projects at Buena Vista.

The average person in Gibraltar disposes of over 750 kg of municipal waste per year. This is higher than in most other developed European countries.



Procurement

Green procurement or green purchasing involves looking closely at the products that you purchase in terms of how and where they are manufactured, what they are made of, their efficiency and whether they are actually needed in the running of your organisation.

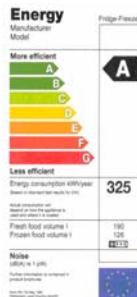
There are a wide range of products for which greener options should be considered if possible including stationary, company vehicles, computers, electrical appliances and even furniture.

Specific eco-labels or standards exist for many products.

The EPA energy star logo, for example, indicates reduced energy consumption in computers. Other electrical appliances such as fridges etc carry the EC Energy Label that identifies the energy efficiency of the piece of equipment on a scale of A to G.

Other eco-labels include the Mobius Loop showing whether a product is recyclable or is made of recycled material. The Forest Stewardship Council Logo is yet another useful label indicating that the paper in question has been made from sustainable forests.

There are many eco-labels verifying the environmental performance of products and it is in the best interests of organisations to look out for these labels especially when the products to be purchased are toxic and/or hazardous.



General advice available from www.sustainable-development.gov.uk

Next Steps....

Step 1: Carry out an audit

Check your electricity and water bills to find out how much you are using and carry out an environmental walk round to identify areas where changes could take place and savings be made.

Step 2: Develop an environmental policy

This is a written statement which outlines your commitment to managing the environmental effects and aspects of your operations.

Step 3: Create an action plan

Try to make it as specific as possible, setting targets for energy and water efficiency measures and waste reduction strategies as detailed earlier on.

Step 4: Get staff involved

Raising awareness, encouraging employees and training them in environmental matters are all key factors in an environmental management system. Create an environmental team to take charge of implementing the action plan to ensure its success.

Step 5: Monitor progress & review performance regularly

Be sure to regularly monitor your progress and review your performance in order to ensure continuous improvement and results.



Department of the Environment
Duke of Kent House, Line Wall Road,
Gibraltar
Tel: 20048450
Fax: 20059833
Email: info.environment@gibraltar.gov.gi