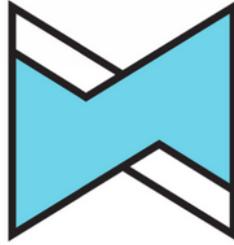




Certified



Corporation



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3rd-Party Certification: An Effective Approach to Market Transformation

By Ella Rosenkranz, SWEEP Intern

When it comes to working towards an environmental mission, how can an organization prove to its stakeholders that it is, in fact, walking the walk? Third-party certifications like SWEEP, LEED, TRUE and B Corp have given companies and municipalities ways to improve their environmental performance, track their impact using energy, emissions, waste management and water consumption data, as well as user-friendly ways to report their progress to stakeholders. These certification programs offer sets of performance standards that both complement and supplement what is already legally required of these organizations, giving them the opportunity to go the extra mile and stand out as industry leaders.

Current market trends show that stakeholders increasingly value the verification of advanced performance associated with voluntary third-party certifications.

Consumer demand has increasingly driven companies' practices, shifting them in favor of independently verified market-leading performance. This success is an important driver for more companies to adopt these standards. For example, a study from NYU Stern's Center for Sustainable Business shows us that in recent years, [50% of growth](#) in consumer packaged goods came from products marketed as sustainable, and the market share of these products has seen a steady increase to meet these demands.

Another report from Nielsen shows that [73% of millennials](#) are willing to pay more for sustainably produced goods. The impetus for improved sustainability performance not only affects consumer behavior, but also spurs movements at the city level. Since 2005, 96 cities around the world, representing approximately 8% of the world's population and a quarter of the planet's GDP, have signed on to be considered as [C40 Cities](#), signaling their work towards meeting the climate goals set by the Paris Agreement. Municipalities, businesses and consumers alike are striving to improve their environmental performance, and adopting third-party certifications can be a great way to measure success and stay accountable.

The SWEEP (Solid Waste Environmental Excellence Performance) Standard is a set of voluntary performance standards and best practices that allows leaders in the materials management industry to improve their environmental performance, while also benefiting from increased cost and performance efficiency. Municipalities and waste management companies ranging from vertically integrated firms to haulers and materials recovery facilities can become SWEEP Certified, signaling their commitment to and leadership in sustainable materials management.

Third-party certifications like SWEEP are an effective tool because they are a complementary voluntary approach to going above and beyond minimum regulatory standards. Market transformation combines the

regulatory push to meet and raise the minimally required environmental performance with a market pull to more rapidly raise the overall performance of an industry, ultimately transforming the market. Third-party certifications go beyond government regulations by developing additional requirements and best practices that are set and reviewed by groups of industry professionals.

When thinking about voluntary market-based standards, it is important to [make the distinction](#) between first, second and third-party certifications: in the case of first-party certification, the organization providing the product also provides assurance that the product meets certain standards, while in the case of second-party certification, this assurance comes from an association to which the organization belongs. Third-party certification is different because the quality assurance for both the organization and the consumer comes from an independent, third-party organization. A certification qualifies as third-party when the requirements and standards have been independently developed by a board of experts representing relevant market segments and associations. Having industry experts compile their input on which standards are best is crucial for the development and advancement of these certification programs.

Developing a third-party certification involves getting different perspectives represented, which helps the certification standard cover all of the bases. Rob Watson, SWEEP's founder, says it is important to have a breadth of membership and to develop a comprehensive sustainability standard for waste. Rob says, "We have incorporated the perspectives of labor, product manufacturing, small and large waste companies, data experts, recycling and composting experts, large and small communities...to name a few. There are a lot of sustainability issues around waste in addition to the diversion rates. Looking at

safety, public participation and environmental concerns helps us look at the whole system.” Without these partnerships, it would be difficult to effectively transform the waste market.

“TRUE, LEED and SWEEP provide the opportunity to showcase leaders in the field of sustainability, encouraging others that it is possible,” says Stephanie Barger, Director of Market Transformation and Development for TRUE. She is also a founding member of SWEEP’s Standards Committee. “The high standards set by these three certifications are creating institutional change and making the business case not only for companies but for our communities and cities,” Barger commented. “These leaders are crucial for market transformation and it’s exciting in these challenging times that more and more companies are making the commitment to zero waste.”

If we look at TRUE Certification, for example, companies that become certified show that a circular, closed-loop economy is possible with the benefit of creating new jobs, as well as healthier and safer workplaces. Getting certified also means that they are working to be part of a collaborative market transformation. Some might ask, what does this really mean? How can an individual business contribute to a larger systemic change?

It is important to note that contributing to this systemic change takes more than an individual approach to environmental and social impact. If your business is the only one sourcing sustainable materials, diverting waste from landfills and implementing food waste reduction programs, you’re on the right track to functioning as a responsible, zero waste business. You still are, however, part of a larger industry that continues to sell single-use plastics, generate tons of surplus waste and contribute to toxic landfill emissions. By obtaining a certification like TRUE or SWEEP, you are acting as a leader and are taking part in a larger-scale, collaborative effort to change the entire industry.

By adopting these standards, you might even inspire another organization to do the same.

COSTS AND BENEFITS:

Although third-party certifications have fees involved and require time and effort to make operational changes, their benefits, both explicit and implicit, are important incentives for organizations to become certified. Rerouting solid waste collection vehicles and transitioning to renewable energy sources in processing facilities are some of the ways haulers and municipalities can benefit from adopting SWEEP's standards. If we take the benefits of implementing SWEEP's requirements for collection fleets, for example, while there are some capital expenditures required, we can see immediate savings on the costs associated with energy usage, collection efficiency and labor costs. If we look even further than energy savings, we can see some important implicit benefits, such as the reduced risk that comes with increasing worker safety, as well as the decrease in labor costs when more trash is diverted from landfills.

While there is concrete, measurable value in cost savings, there is also a great deal of value in the efficiency and credibility that comes with a third-party certification. These programs provide the tools and resources an organization can use to stay accountable and measure its impact. A SWEEP Certified municipality or company will have access to essential tools and guidance to make sure they are achieving the best sustainable materials management practices possible. Jordan Fengel, Executive Director of State of Texas Alliance for Recycling and member of SWEEP's Standards Committee, advocates for the transparency, credibility and efficiency that SWEEP can give to a company or local government. He comments, "By having a standard way to measure and report material reduction, reuse, and recirculation, it provides a way to avoid ambiguity of a company's or city's activities and can help reduce perceived greenwashing," Reporting progress in ways that people can trust is crucial in gaining credibility. Stephanie

Barger also outlined the importance of metrics when working toward common goals. She said, “Everybody was counting differently. It’s important to have a standard so we can compare and really understand: are we making a difference or not?”

If we take into account the value of credibility, transparency to stakeholders and internal accountability, all combined with the economic value that comes with cost savings and operational efficiencies, it’s hard to ignore the strong benefits that come from third-party certifications. For an organization looking to take the extra step and be recognized as a leader, third-party certifications are a great opportunity to do so.

