



OFFICE OF THE FEDERAL ENVIRONMENTAL EXECUTIVE

WHITE HOUSE TASK FORCE ON WASTE PREVENTION AND RECYCLING

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PROMOTING SUSTAINABLE ENVIRONMENTAL STEWARDSHIP THROUGHOUT THE FEDERAL GOVERNMENT

June 20, 2005

Defense Acquisition Regulations Council
Attn: Ms. Michele Peterson
OUSD (AT&L)DPAP(DAR)
IMD 3C132
3062 Defense Pentagon
Washington, DC 20301-3062

Re: DFARS Case 2004-D011

Dear Ms. Peterson:

The Office of the Federal Environmental Executive appreciates the opportunity to review and comment on the referenced DFARS case. Our comments are limited to the potential impacts on materials recycling of implementation of the new RFID tagging policy. OFEE believes that the use of RFID tags will bring great benefits and cost savings to Defense logistics operations. At the same time, consistent with Federal and Department of Defense policy, the impacts on environmental sustainability must be considered.

On April 12, 2005, Under Secretary of Defense for Acquisition, Technology and Logistics Michael Wynne addressed the Joint Services Environmental Management Conference and stated that DoD must integrate environmental concerns into the acquisition process. He further emphasized the importance of the triple bottom line of sustainability – mission, environment, and community. It follows then that the sustainable approach to implementing the RFID tagging policy must include active DoD involvement in identifying environmental impacts and sponsoring research into ways to mitigate or minimize them.

We agree with DoD that the exact impacts and costs to the recycling industries are not known at this time. However, we believe that DoD has presented the limited information that is available in a manner that generalizes conclusions from focused research and minimizes concern. Specifically, DoD's cost-benefit analysis for the proposed rulemaking presents information from International Paper's experience with using RFID tags in the inner cores of paper rolls destined for its customers. OFEE's discussions with International Paper revealed that the use of RFID tags on cores created no problems in recycling the cores. Neither the metals in the antennae nor the adhesives were a problem for recycling of cores. However, there has been no technical analysis to determine if trace amounts of metals from the antennae have passed through the cleaning and screening system in to the pulp. In addition, because of differences in the manufacturing process used to make other types of paper or paperboard products, one cannot assume from the International Paper experience that there is no impact on recycling in general.

Similarly, DoD states that the pallet industry is researching impacts on pallet recycling. However, OFEE confirmed with the National Wooden Pallet and Container Association that the industry is not currently researching the specific impacts of RFID tags on pallet recycling.

OFEE is also concerned that the cost-benefit analysis only discusses impacts on paperboard containers and pallets. Given the wide variety of products that DoD receives and ships, it is very possible that some of the containers will be plastic boxes or metal containers. Potential impacts on recycling of these two materials should be researched.

Finally, OFEE is concerned about DoD's argument that there will be impacts on recycling industries whether or not DoD implements the RFID tagging policy. In discussions between OFEE and some of the other entities implementing RFID policies – Wal-Mart, Target, and Albertsons – it became clear that they too understand that there could be an impact, and they are willing to take steps to mitigate or minimize those impacts. That there are other entities implementing RFID tagging policies does not negate the fact that DoD is going to implement this policy, and there will be an incremental contribution to the recycling impacts resulting from the DoD policy. As it is Federal policy that Federal agencies be good stewards of the environment, DoD needs to ensure that is doing what it can to minimize or eliminate its contribution to adverse impacts on the environmental and recycling industry.

Whether alone or in partnership with the other early adopters of RFID tagging policies, DoD is in a great position to lead by example and sponsor research into the impacts and ways to mitigate or minimize them. These comments from OFEE are intended to assist DoD in taking a leadership role in ensuring environmental stewardship and market development associated with the beneficial innovation introduced by RFID tags.

Please contact Ms. Dana Arnold of my staff at 202-564-9319 if you have any questions about our comments.

Sincerely,

Edwin Piñero
Federal Environmental Executive