

## GSA Low-Embodied Carbon Projects - Industry Fact Sheet

(current as of 11/03/2023)

### Introduction

The [Inflation Reduction Act of 2022](#) (IRA), Pub. L. No. 117-169, 136 Stat. 1818, was enacted on August 16, 2022, providing \$3.375 billion to GSA to invest in federal buildings to help reduce carbon emissions and catalyze innovation. IRA Section 60503 - Use of Low-carbon Materials appropriates \$2.15 billion for the procurement of low-embodied carbon (LEC) construction materials. This investment furthers the [Federal Buy Clean Initiative](#), and will help catalyze GSA's purchasing power to spur markets for American-made products that have substantially lower levels of embodied greenhouse gas emissions associated with their production, use, and disposal. Additionally, the funding will help GSA achieve federal sustainability goals including a net zero emissions federal building portfolio by 2045, and net zero emissions procurement by 2050, while supporting good American manufacturing jobs.

By incorporating low-embodied carbon material into its construction projects, GSA estimates it will reduce total embodied carbon emissions associated with these projects by at least 22,000 and up to 40,000 metric tons of carbon dioxide equivalent. The low end of this range is based on, if all GSA's IRA projects source materials that have [global warming potential](#) (GWP) that is 10% below industry average. The high end of this range reflects the estimated impact, compared to industry averages, if all GSA's IRA projects are able to source materials meeting GSA's most stringent "Top 20%" IRA GWP Limit based on [EPA's Interim Determination](#). Actual reductions will depend on the final GWP values reflected in product-specific material [Environmental Product Declarations](#) (EPDs) provided for completed projects. Additionally, GSA's LEC projects help send the demand signal for low-embodied construction materials to manufacturers across the country.

### GSA Process for Identifying Qualifying Projects

GSA selected projects based on a strategy to invest in "core assets" consistent with its portfolio optimization efforts. Investment priorities were identified by asset condition and GSA's ability to deliver projects within mandated timeframes. Project candidates were also identified based on significant needs for materials including asphalt, concrete, glass and steel.

Projects were selected to deliver work across the country, to meet GSA's most pressing repair/construction needs, and to align with opportunities to incorporate LEC materials. A total of 16 projects are leveraging LEC funding (\$561 million) on large scale GSA capital projects. These investments help GSA continue to reshape its portfolio and invest in core assets. A total of 99 projects are leveraging LEC funding (\$507 million) on smaller scale GSA capital projects. These smaller scale projects enable GSA to address minor renovation and alteration needs in the Public Buildings Service portfolio. A total of 39 projects are leveraging LEC funding (\$935 million) on Bipartisan Infrastructure Law (BIL) Land Port of Entry Projects, which often need larger amounts of material in the four IRA LEC categories.

In alignment with the [Federal Buy Clean Initiative](#), IRA low-embodied carbon funding is limited to materials asphalt, concrete, glass and steel and the necessary expenses to design, construct and install the materials. Therefore, IRA low-embodied carbon funding requires GSA to leverage other funding sources for remaining design, construction, management and inspection costs not related to the four prioritized low-embodied carbon materials. Some proposed projects will use IRA funds from Section 60502 High-Performance Green Buildings and Section 60504 Emerging and Sustainable Technologies. GSA's Capital Program, Minor Repairs and Alterations Program (R&A), and BIL Program will also supplement projects receiving IRA funding.

GSA continues to report a significant backlog of repairs and renovations which require reinvestment dollars across the portfolio, including \$14.9 billion reported in FY23. GSA's Basic Repairs and Alterations (R&A) funds and full access to the Federal Building Fund will be critical to pay for necessary construction expenses and will support execution of the LEC program within the required obligation timeframes (Pub. L. No. 117-169, 136 Stat. 1818, 2083).

### **Interim LEC Requirements Pilot**

GSA [announced a pilot](#) of interim requirements for the procurement of substantially lower embodied carbon construction materials in GSA projects funded by the Inflation Reduction Act. GSA established the interim requirements based on the U.S. Environmental Protection Agency's [Interim Determination](#). It set [global warming potential](#) limits for key carbon-intensive materials prioritized by the federal interagency [Buy Clean Task Force](#): asphalt, concrete, glass and steel. These limits reflect feedback from three GSA requests for information on low-embodied carbon construction materials, two [industry days](#) organized by GSA, and close interagency collaboration through the [Buy Clean Task Force](#). The pilot began in May 2023 and will go through November 2023. It includes 11 projects ([Pilot fact sheet](#)) that required LEC materials.

GSA continues to implement the 11 pilot projects, and progress is being made to source LEC materials on these projects. GSA anticipates additional awards to be made in the first half of FY24. GSA is announcing additional LEC projects now to inform the market of the breadth of our plan, and to help position U.S. manufacturers, suppliers, and installers to capitalize on this exciting opportunity. GSA will continue to learn from the pilot and use the experience to inform broader project implementation, including any necessary adjustment in GSA's IRA LEC material approach. Planned projects are subject to change depending on availability of other GSA funding sources and market responsiveness including availability, pricing, and compliance of LEC materials. GSA has additional projects that can be considered if the list needs to be adjusted.

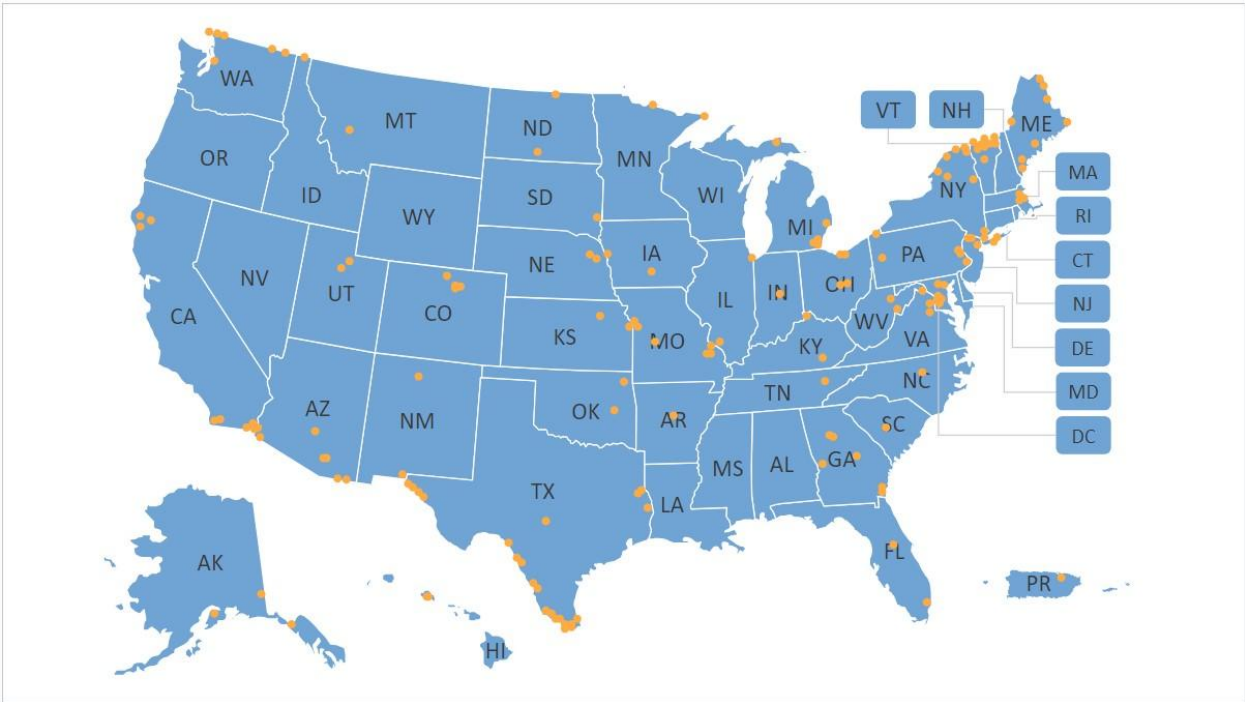
### **Buy American Requirements and IRA LEC Requirements**

Implementation of GSA's IRA LEC materials requirements do not supersede existing laws such as the Buy American Act of 1933 (updated via the Build America, Buy America Act, which was enacted as part of the [Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429, 1301-1316 \(2021\)](#)) or the Trade Agreements Act of 1979. All materials and products procured for GSA projects must comply with all applicable federal laws. For IRA section 60503-funded procurements, existing trade-related laws will be applied first, then GSA will apply its IRA LEC material requirements.

### **LEC Acquisition Criteria**

GSA's pilot and future project solicitations will favor offers by applying a sustainability source selection evaluation factor in its IRA project solicitations which incorporate asphalt, concrete, glass and steel with substantially lower levels of embodied carbon. This approach will call for offeror commitments to furnishing IRA-eligible materials with the lowest available [global warming potential](#) values for each applicable material type as reported through a Type III EPD, in accordance with the [EPA Interim Determination](#).

**Map of All Projects**

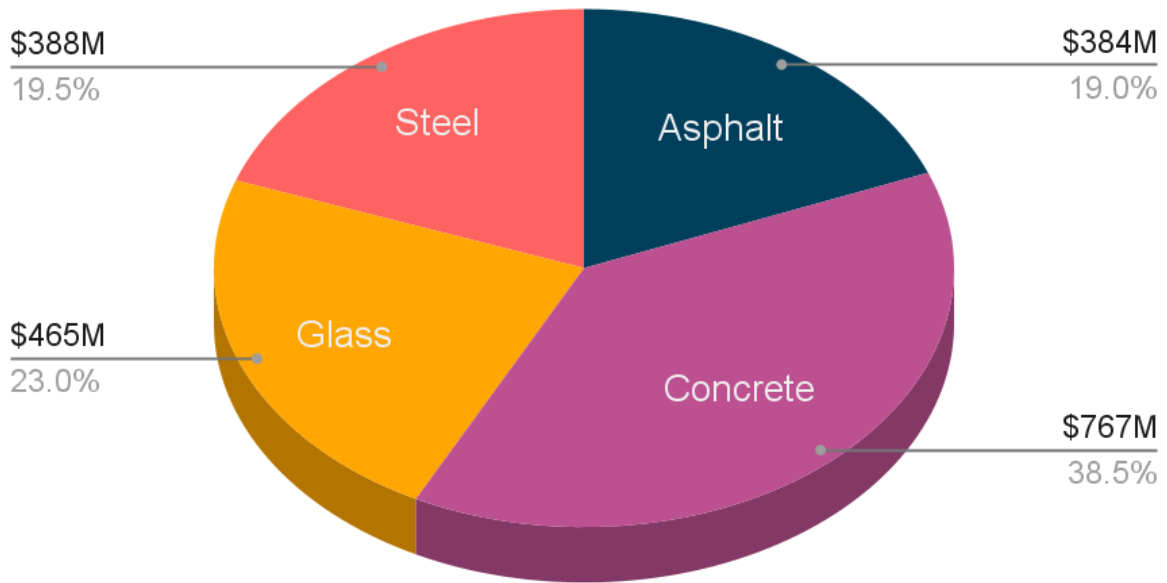


[Full list of LEC projects.](#)

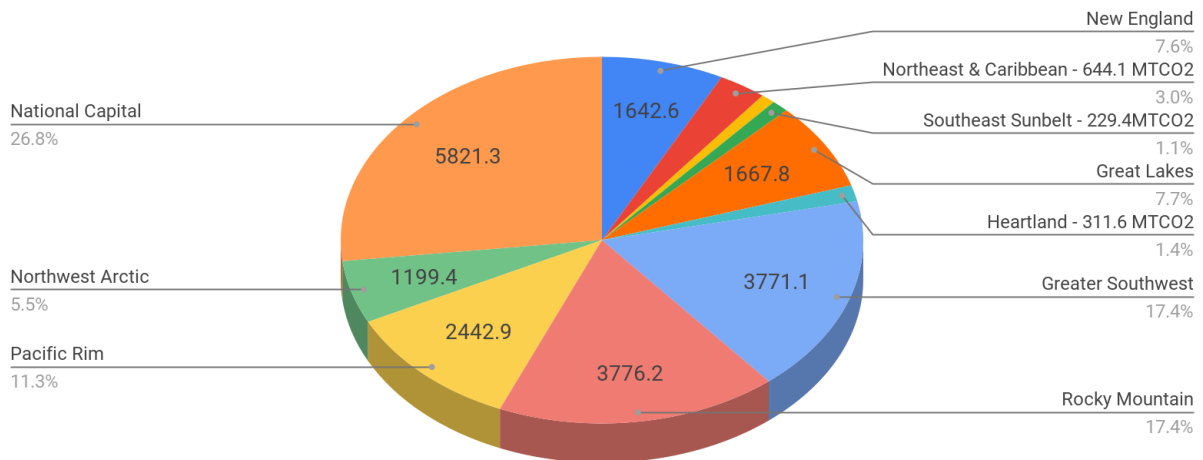
*List is subject to change based on pricing, market responsiveness and material availability.*

# Total Cost for LEC Project Materials

Estimated Total LEC Funding: \$2 Billion



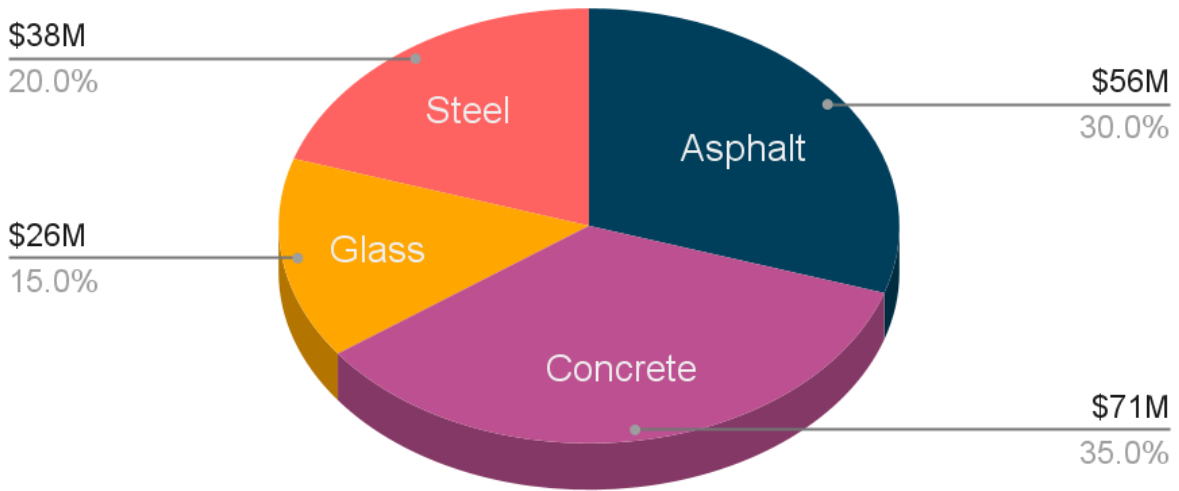
## Estimated Reduction of Metric Tons of Embodied Carbon by Region



- Regional

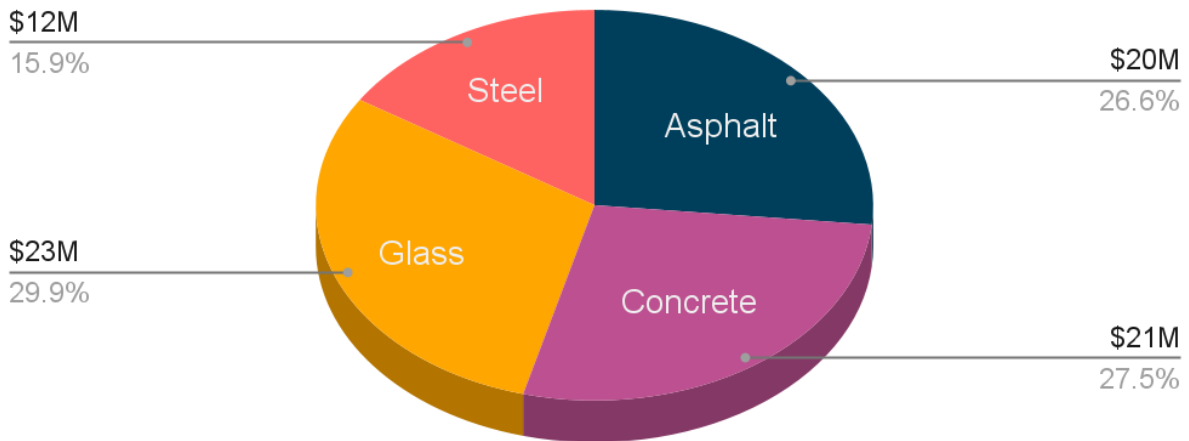
# LEC Materials New England Region Projects

Estimated Total LEC Funding: \$191 Million



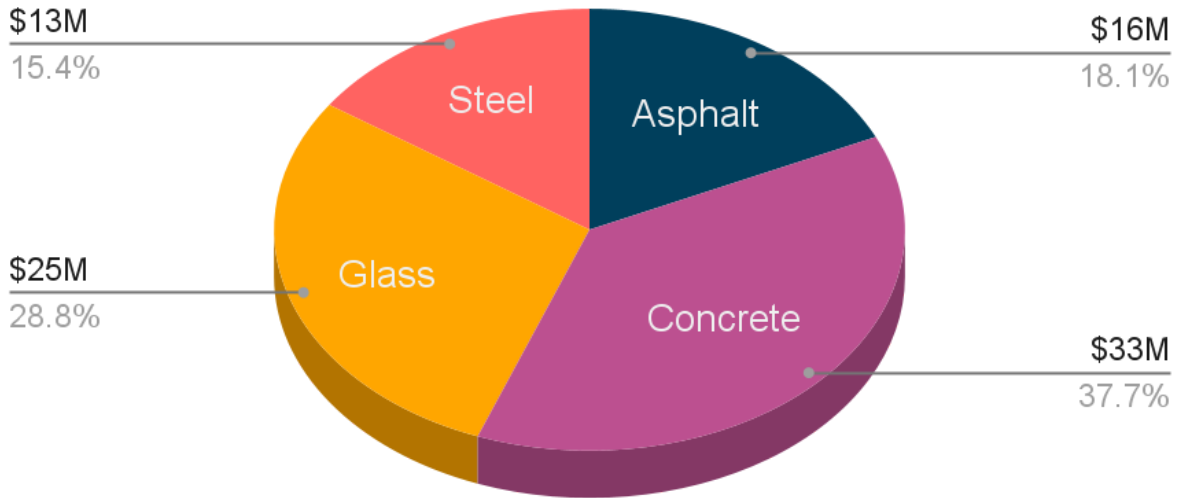
# LEC Materials Northeast & Caribbean Region Projects

Estimated Total LEC Funding: \$76 Million



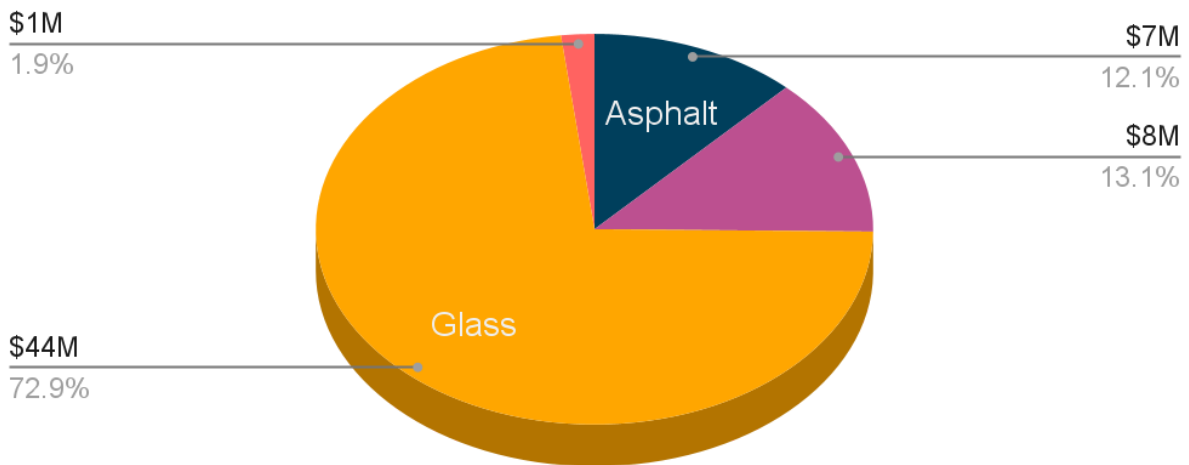
# LEC Materials Mid-Atlantic Region Projects

Estimated Total LEC Funding: \$87 Million



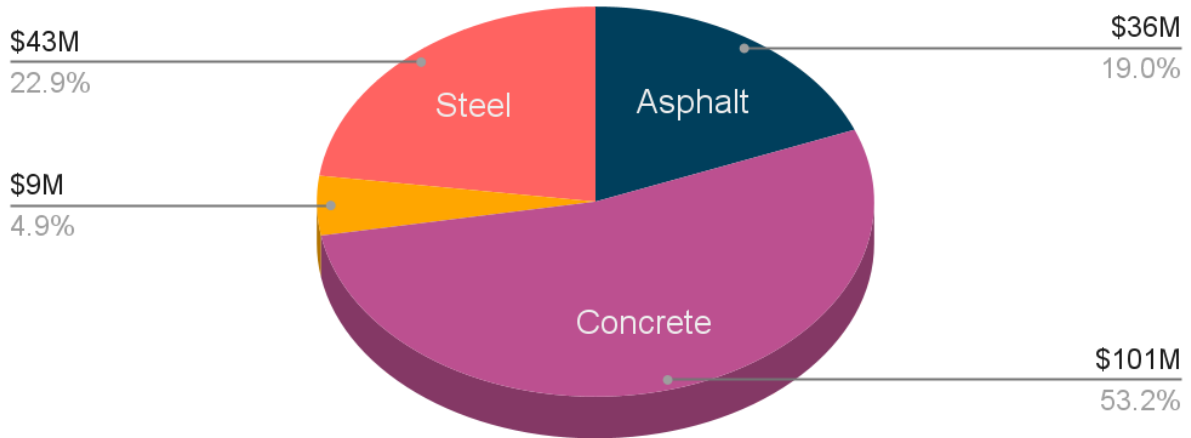
# LEC Materials Southeast Sunbelt Region Projects

Estimated Total LEC Funding: \$61 Million



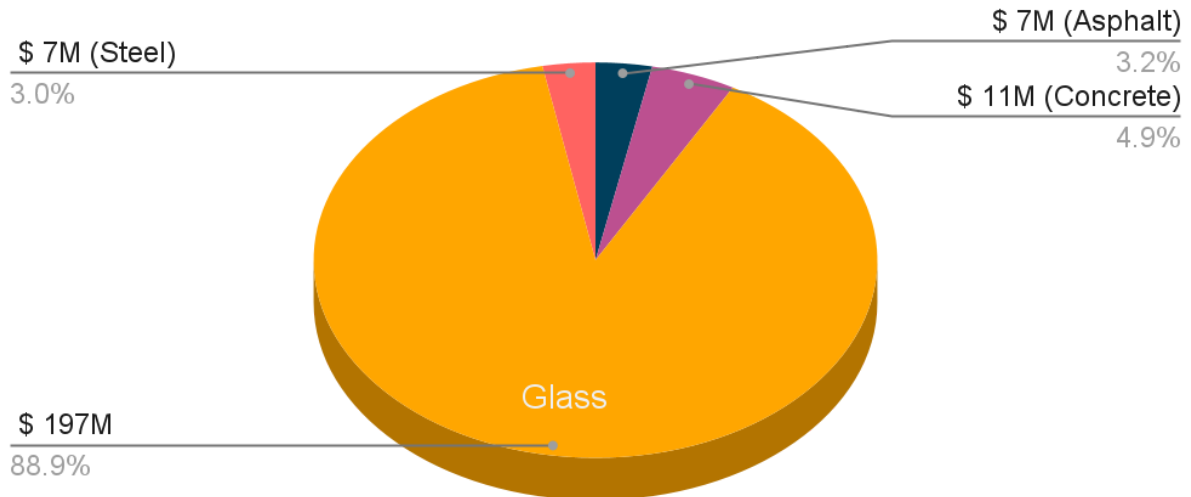
## LEC Materials Great Lakes Region Projects

Estimated Total LEC Funding: \$189 Million



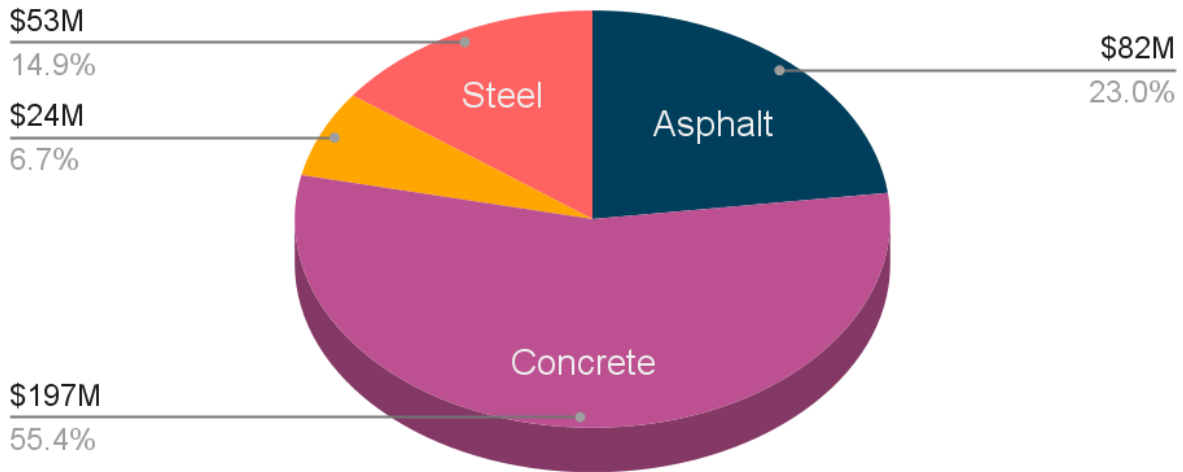
## LEC Materials Heartland Region Projects

Estimated Total LEC Funding: \$222 Million



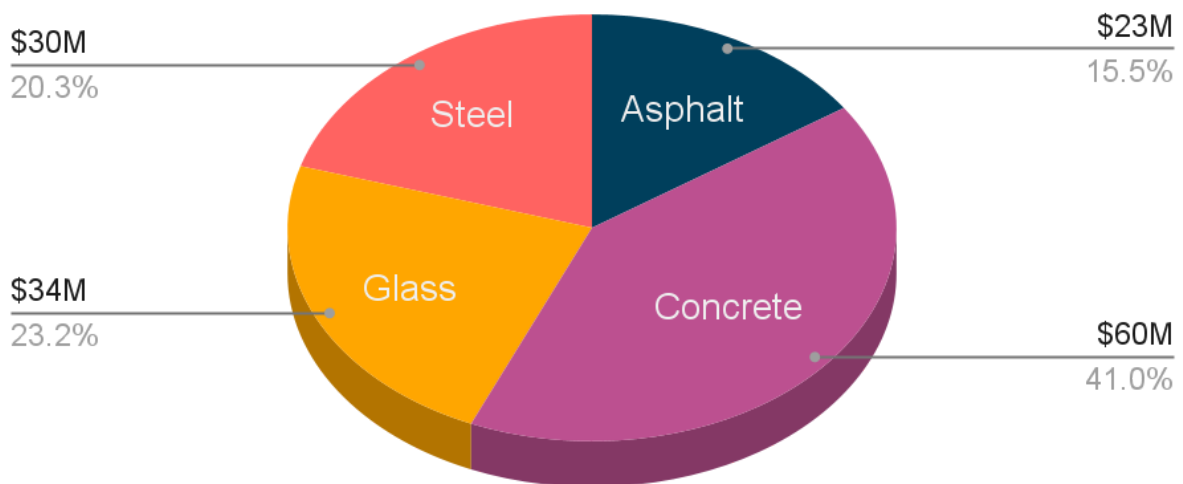
## LEC Materials Greater Southwest Region Projects

Total Estimated LEC Funding: \$ 356 Million



## LEC Materials Rocky Mountain Region Projects

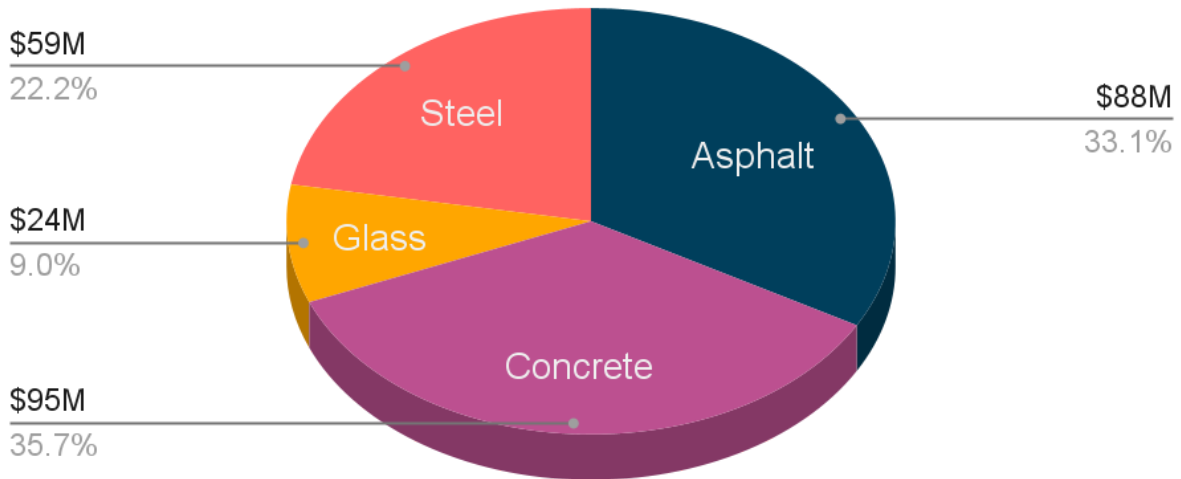
Estimated Total LEC Funding: \$147 Million





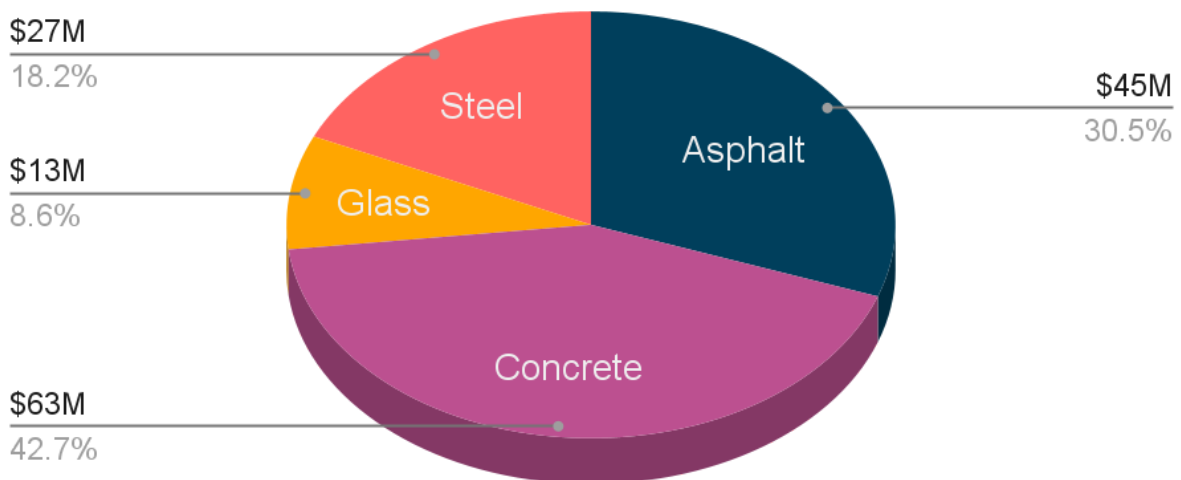
## LEC Materials Pacific Rim Region Projects

Estimated Total LEC Funding: \$266 Million



## LEC Materials Northwest Arctic Region Projects

Estimated Total LEC Funding: \$148 Million



# LEC Materials National Capital Region Projects

Estimated Total LEC Funding: \$262 Million

