

# Monitoring & Evaluating Green Public Procurement in the Republic of Korea

Hyunju Lee (hjlee@keiti.re.kr)
Associate Researcher
Green Product Promotion Office



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#### **Overview: Public Procurement in Korea**



#### **Centralized**

Dual System

#### **Decentralized**

- Executed by Korea Public Procurement Service(PPS)
- Through Online E-Procurement System(KONEPS)
- Account for 30 % of total PP

- Managed by Individual State Agencies
- •Through the respective procurement system
- Account for 70 % of total PP

If the purchase is above a certain threshold, it should be dealt with by PPS

## **Overview: History of Green Purchasing Policies**



1992	Korea Eco-Label
1994	"Act on Development and Support of Environmental Technology" : Recommend the Green Public Procurement(GPP)
2001	Type III eco-labeling program (based on LCA)
2004	"Act on Encouragement of the Purchase of Green Products" : Oblige State Agencies to submit Annual Plan and Performance Records on GPP to MOE
2005	•GPP in place •Voluntary Agreement on Green Procurement with the Businesses •"ECO-EXPO KOREA"
2009	"Green Consumption Week"
2011	<ul> <li>Eco-labeling service criteria (eco-friendly hotel)</li> <li>Green Credit Card</li> <li>Green Store Partnership with the Distribution Chains</li> </ul>

### Overview: Legal basis on GPP



#### **Act on Encouragement of the Purchase of Green Products (2005)**

- Purpose: prevent wasteful use of resources and environmental pollution, contribute to sustainable development by encouraging green purchasing
- No quantitative target is set by the central government
- State agencies are obliged by the Act to produce and report to MOE
  - Implementation Plan with voluntary GPP targets
  - Performance Report with the amount of green product purchased

### **Overview: Coverage of Green Products**



- Certified or Meet the criteria set by the Korea Eco-Label or by the Good Recycled Mark
- Meet other environmental standards set by MOE in consultation with the relevant ministries



#### Korea Eco-Label

150 categories including office equipment, construction materials

1,672 companies, 9,799 products (As of June, 2013)

Ministry of Environment http://www.ecoi.go.kr

**Product groups** 

**Number of Products** 

**Certification Authority** 

Website

#### **Good Recycled Mark**

16 categories including waste paper, glass

206 companies, 247 products (As of June. 2013)

Ministry of Trade, Industry and Energy

http://www.gr.or.kr

### Overview: Green Product Groups (example)







Office Equipment



Label Paper



Document File



Printer Paper



Toner Cartridge



Pen





TV



Air Conditioner



Video Projector



DVD Player



Computer

Consumables etc.



Toilet Paper



Detergent



Sanitizer



Bin Bag



Disposable Container

## **Overview: Green Product Groups (example)**







Office desk



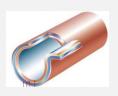
Chair



Cabinet



Water tap



Pipe





Block



**Paint** 



Glue



Aluminum window frame



Aggregate

Stationery, furniture



Pencil



Oil-based pen



Ballpoint pen



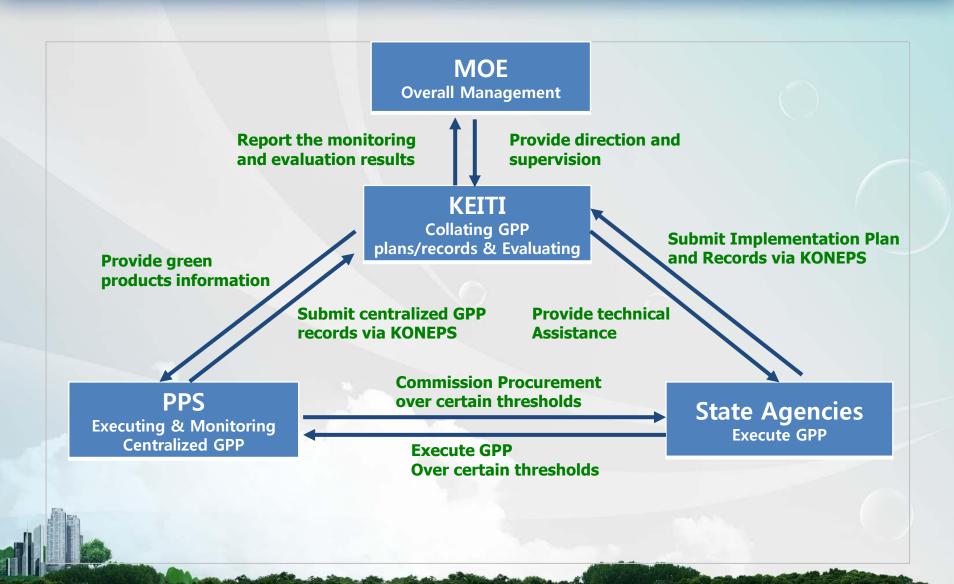
Lab table



School desk

## Monitoring GPP: institutional arrangement





## **Monitoring GPP: Indicators**



 Number of Agencies submitting Implementation Plan and Performance Report



About 864 umbrella org. and 30,000 subsidiary org.

- Total amount of actual purchases of green products
  - Measured in both units and economic value for products with ecolabel (Korea Eco-label and Good Recycled Mark)
  - Percentage of green purchase in relation to the total expenditure in those product groups

#### **Monitoring GPP: Green Product Information System**



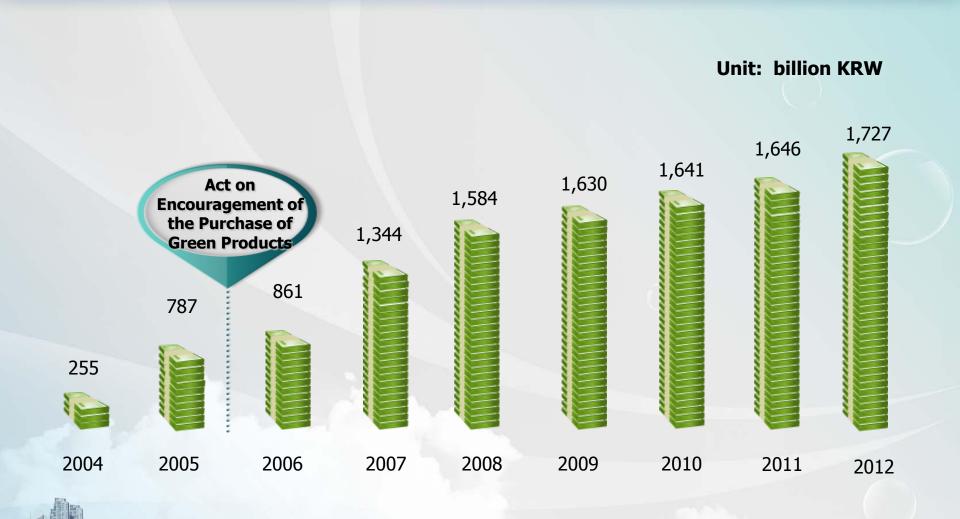
- Each institution submits the implementation plan via GPIS
- Performance Records conducted by PPS and individual org. are compiled via GPIS in connection with KONEPS

**GPIS**(<u>www.greenproduct.go.kr</u>)



## Monitoring GPP: Trends in GPP (in economic value)





# **Evaluating GPP: Environmental, Economic, and Social Benefits of GPP KEITI**

For the last 8 years, public sector's green procurement in 19 items resulted in 3.71 million tons of CO<sub>2</sub> equivalent emission reduction and 12,143 new jobs

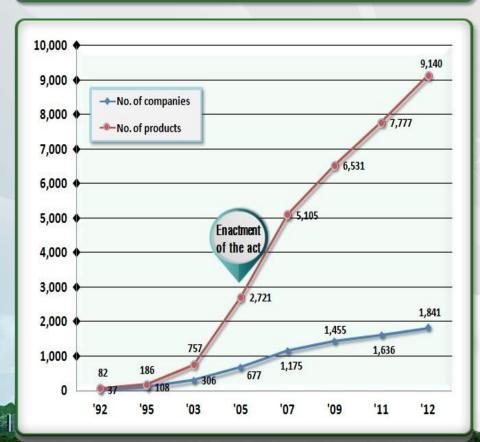


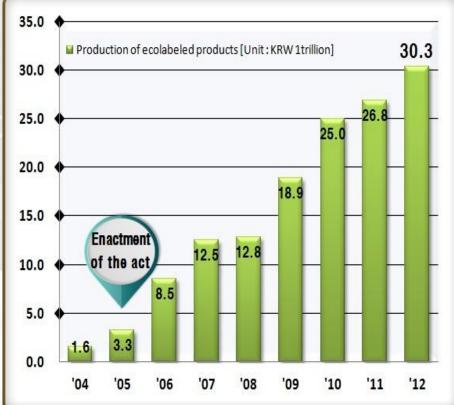
#### Impacts on green production



Since the enactment of the act, the number of manufacturers and certified products have been on a rapid rise

Sales of ecolabeled products have reached USD 30 billion







#### **Success Factors**

- Combined approach of GPP and EL
- •E-procurement system in connection with GPIS
- Institutional arrangement among key stakeholders
- Technical assistance for procurers (e.g. guideline, training)
- Financial & reputational incentives

#### Limitations

- Staff in charge of GPP rarely appointed by each institution
- Limited coverage of monitoring until recently
- Lack of GPP target at national level
- No coordination with other procurement regulations

## Key lessons learned: Opportunities for further development

- Stimulate public demand by diversifying the product groups
- •Introduce progress indicators to communicate the overall progress in GPP by each institution
- Coordinate with other existing green and social procurement standards



## **Thank You**

