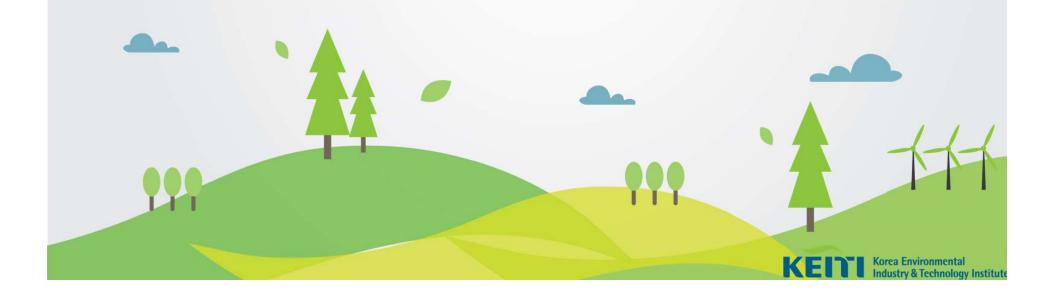
## **Green Public Procurement of Korea**

Joon Sung Ahn Associate Researcher Sustainable Lifestyle Department Korea Environmental Industry & Technology Institute



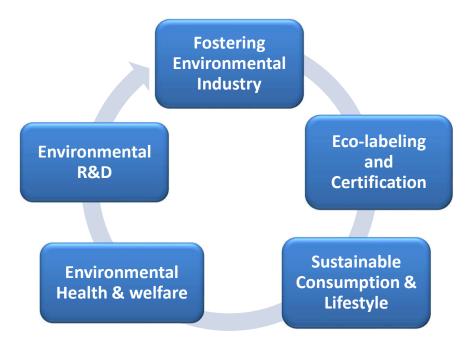
#### **Contents**

- 1 Legal and Policy Framework
- 2 Implementing mechanism
- 3 Monitoring and Measuring Benefits
- 4 Way forward



## Korea Environmental Industry & Technology Institute

- KEITI is a quasi-government organization affiliated with Korea Ministry of Environment
- Our Mission is to contribute to sustainable development through developing eco-technology, fostering environmental industry, safeguarding environmental health, and promoting eco-friendly consumption & lifestyle
- Work Areas





# Part 1 Legal and Policy Framework



### K-SDGs and GPP

- K-SDGs, Korean Sustainable Development Goals developed by KMOE in cooperation with line ministries, NGOs and experts in Dec 2018
- Vision: Inclusive and Sustainable Nations
- 5 Strategies: Inclusive Society, Environmental Conservation, Economic Growth that improves quality of life, Human Right and Peace, Global Cooperation
- 17 targets (Target 12. Sustainable Consumption and Production)
- 12.7 target: the percentage of green public procurement rate (35.2% in 2017 -> 70% by 2030) and the number of eco-labeled products in consumer goods (59 in 2017 -> 73 by 2030)

## **SCP** policies in Korea

- 2006
- 1st Action Plan for Promoting Purchase of Green Product (2006-2010)
  - Support establishing Ordinance and expand target institutions
  - Reflect GPP plan and record to the performance evaluation
  - Designate the person in charge of Green Procurement

- 2011
- **2nd Action Plan for Promoting Purchase of Green Product** (2011-2015)
  - Raise awareness on sustainable lifestyle and boost green consumption among general consumers

- 2016
- 3<sup>rd</sup> Action Plan for Promoting Purchase of Green Product (2016-2020)
  - Expand a diversity of green products and enhance international cooperation

- 2021
- 4<sup>th</sup> Action Plan for Promoting Purchase of Green Product (2021-2025)
  - Transform every aspect of our lives to eco-friendly lives
  - Reflect K-Green New Deal agenda to our policies

## Act on Promotion of Purchase of Green Products (GPP Act)

- Launched Korean Eco-label programme in 1992
  - Initiated by MoE, based on Regulations on operation of Eco-labelling programme
- Enforced the **Act on Encouragement of Purchase of Environment-friendly Products** in 2005 (Renamed as the Act on Promotion of Purchase of Green Product in 2012)
  - Obliges public institutions to mandatorily purchase green products; develop and submit GPP plans and performance records
  - Provides a legal ground to establish Korea Eco-product Institute (former KEITI)
- Public institutions' (approx. 30,000) obligation
  - Purchase green products
  - Submit and publish an implementation plan for GPP with self-defined targets and performance records on an annual basis

Korea

Eco-Label

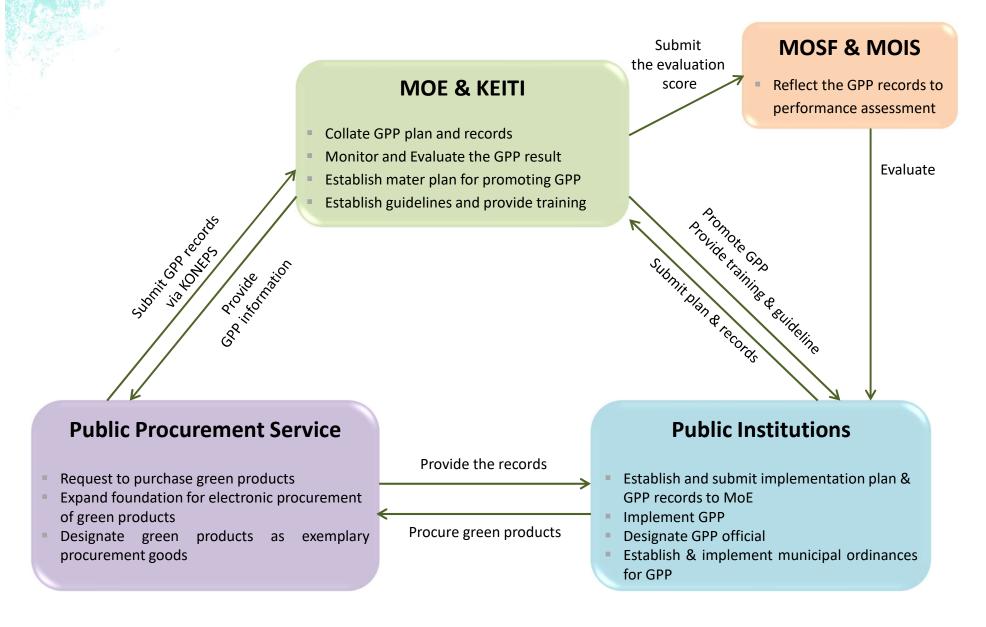
Definition of Green Products



## Part 2 Implementing mechanism



## Working mechanism of GPP in Korea



### Non-exhaustive list of Green Products

15,081 products supplied by 3,953 companies under 165 product categories (As of May 2019)





### Non-exhaustive list of Green Products



## **GPP** Support Measures

#### **Green Products Information Platform**

- Main source of information for GPP in Korea
- Catalogue of green products updated every month
- GPP guidelines, Best practices, and GPP results reports
- Website : http://www.greenproduct.go.kr/





#### **Sharing Best Practices**

Annual workshops to exchange best practices

#### **GPP Guidelines and Training**

- (Guidelines) Purpose, legal basis, target org., working mechanism of GPP
- Standard Ordinance for local and provincial government(2006) → 99% of local and provincial gov. follow
- Annual nationwide training offered from
   November to December/ March every year

#### **Financial Incentives**

- GPP as a part of performance indicators of local gov., (local) public enterprise and public org.
- Based on the annual GPP records
- KEITI evaluates based on Percentage of green purchases



## Part 3 Monitoring and measuring benefits



#### **How to monitor GPP**

· 2018년도 녹색제품 ...

· 〈사이버환경실무교...

· GR마크 인증제품 현황...

• 환경표지 인증제품 현황...

2018.03.22

2018.03.09

2018.03.06

2018.02.28



2006.10.14

2006.10.14

2006, 10, 14

· 인증기업 회원가입 및 ...

· 녹색제품정보시스템 정보...

· 녹색제품의 정보를 등록...

· 회원가입 시 의무구매기...



Collate and monitor the implementation plan and record for GPP, relating with KONEPS

2013.12.19

Analyze the reason why public entities didn't purchase the green products

녹색구매 수범기관 소식...

녹색구매 수범기관 소식...

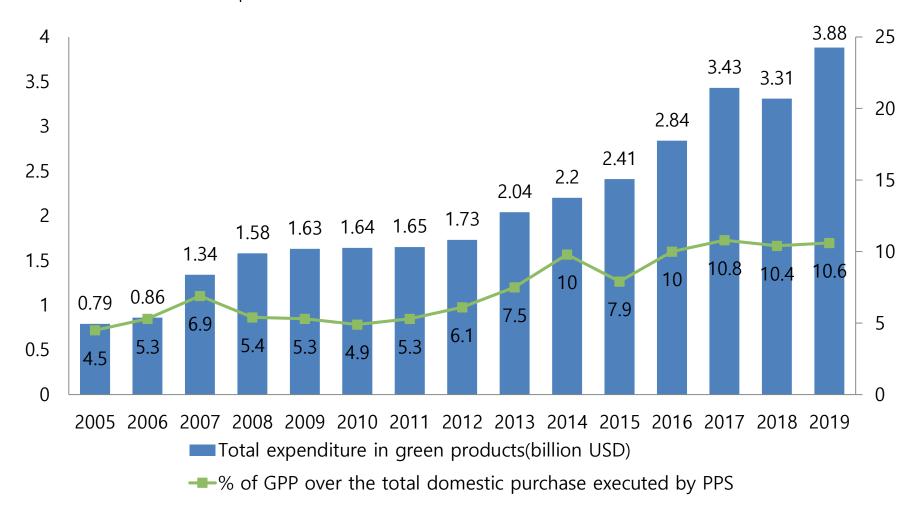
· 녹색구매 수범기관 소식...

· 녹색구매 수범기관 소식...

■ Public institutions should justify if the green purchase record has increased from the previous year by  $\geq$  50% or decreased by  $\leq$  30%

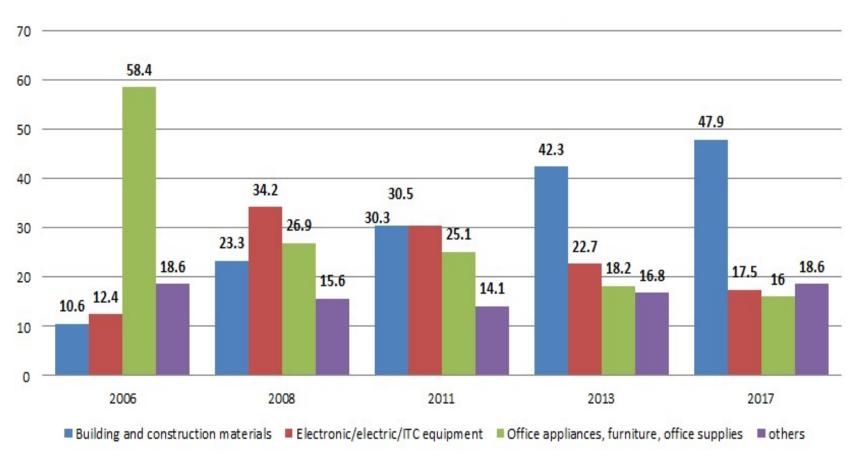
#### **Expenditures in green products**

• Korea's GPP recorded around 3.88 billion USD in 2019 which has increased more than 4.2 times compared to the one of 2005.

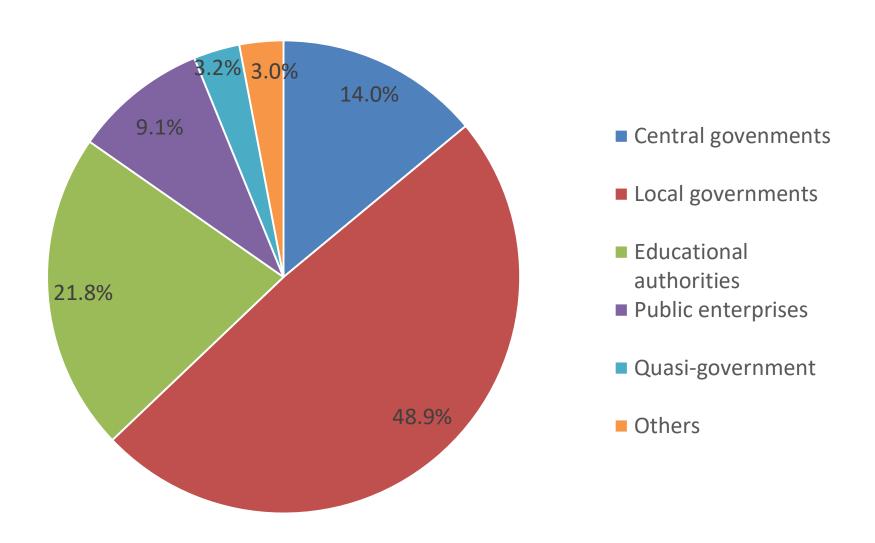




Composition of GPP by product groups by year (unit: %)

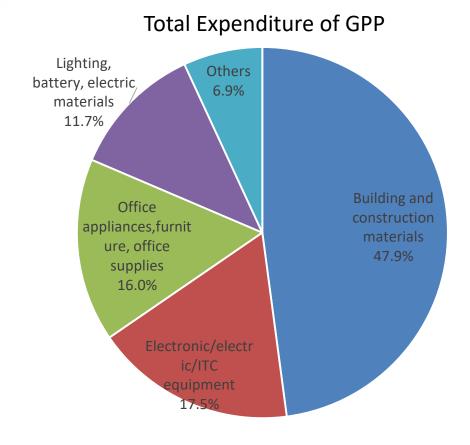


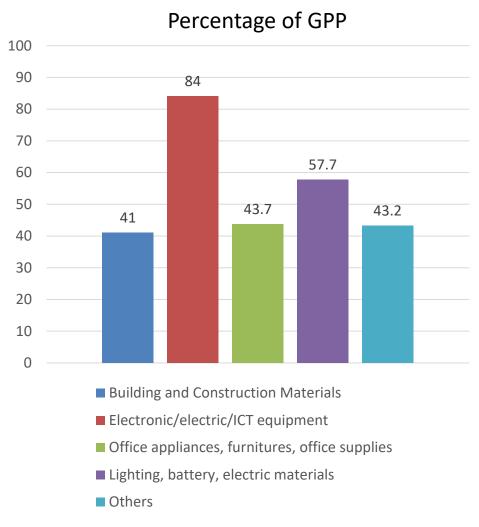
Composition of GPP by Organizations in 2017 (%)





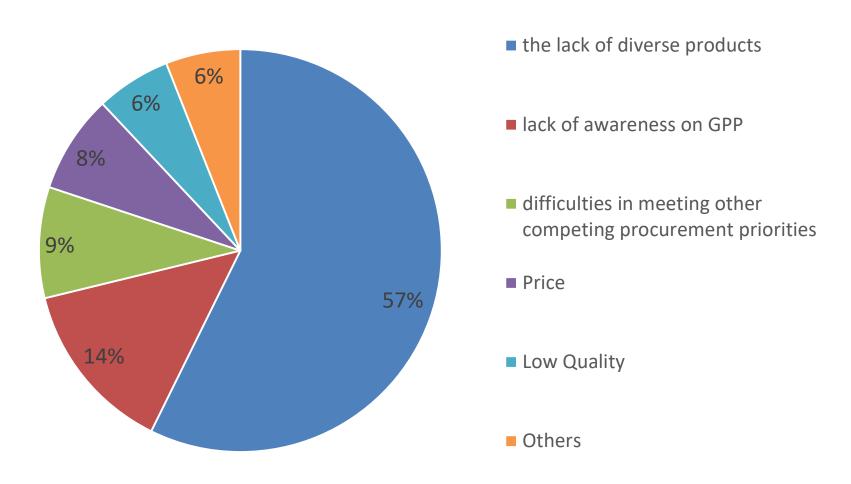
#### **Composition & Percentage of GPP by Product Groups in 2017 (%)**





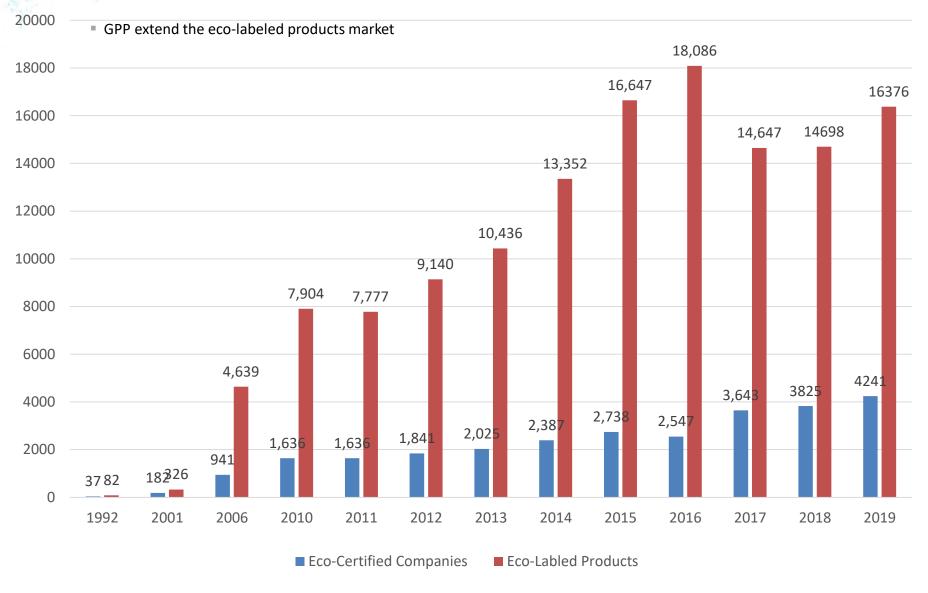
## Survey Results on the obstacles to GPP

KEITI conducted survey on the obstacles hampering GPP with around 5,000 procurers via
 Green Product Information System in 2018



## Sustainability Impacts of GPP in Korea





## Sustainability Impacts of GPP in Korea

#### **Environmental Impacts**



#### Reviews on GPP in Korea



**GPP** of Korea was introduced as a best practice to support SDG Goal 12 during the 5th Asia-Pacific Forum on Sustainable Development on 28th March 2018 in Thailand

#### I SUMMARY

The region has regressed on sustainable consumption and production (SCP) and urgently needs to reviewers material consumption and footpoint trends to meet the goal, novivitationally projected individual targets. Raining incomes and lifestyle changes and continued resource-intensive growth pattern are expected to further exacerhate resource depletion and ecosystem degledation. Concerned and private action is needed to increase resource efficiency, fundamentally shift consumption pattern and production processes, improve wester management systems, and translation toward is more circular and production processes, improve waste management systems, and translation toward is more circular to the contract of the contract of

#### III. PROMISING INNOVATIONS AND BEST PRACTICES

#### Green public procurement to leverage sustainable development in Korea









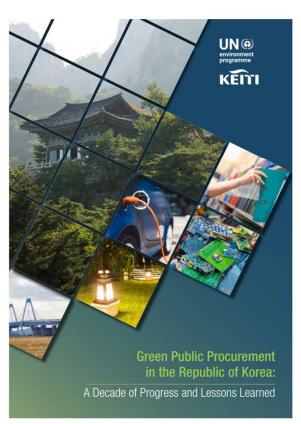


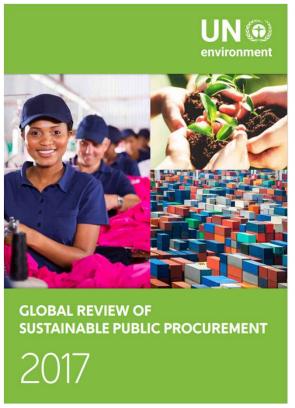
The Ministry of Environment, in collaboration with the Korea Environmental Industry and Technology Institute and the Korean Public Procurement Services, introduced several initiatives including: the development of green public procurement guidelines, the introduction of the Korea Eco-label, the establishment of a Green Products Information Platform for purchasers, and a nation-wide online monitoring system. State organizations are required to submit a yearly implementation plan on green purchase and annual performance records to stimulate public demand and a green market. In 12 months, the total public expenditure in green purchase more than tripled to KRW 787 billion KRW (USD 787 million) in 2005. The number of products certified by the Korea Eco-Label nearly quadrupled in 2012 since 200434.

#### Other Sources on GPP in Korea



#### Case Studies and Awards on GPP in Korea











# Part 4 Way forward



## **Success factors and Challenges**



#### **Success factors**

- Clear legal and policy framework for GPP
- GPP criteria based on Ecolabelling
- Well-established eprocurement system to allow easier monitoring
- Financial and reputational incentives
- Roles of division between MOE and PPS



#### **Challenges**

- Different SPP procurement regulations are competing
- Lack of awareness and/or frequent changes of public procurers
- Lack of policy commitment by the head of organizations

## Way forward

- Raise political profile of GPP through public outreach
- Provide in-depth technical assistance tailored made to the organization
   Expenditure analysis → Provide solutions for GPP improvement → implementation of the solutions → monitoring and communication results
- **Engage and support suppliers** to increase capacity to supply green products
- Identify obstacles and come up with solutions to promote GPP per priority product groups
- Contribute to delivering the SDGs target 12.7(SPP) in Asia-Pacific region

## Thank You very much!

