



# Asia-Pacific Green Public Procurement and Ecolabelling Network 2<sup>nd</sup> Webinar

*Wednesday 26 August 2015*



# Agenda

- **UNEP Asia Pacific GPP and Eco-labelling projects updates, Farid Yaker, UNEP**
  - Recap: objectives and activities
  - Projects updates
  - Upcoming events
- **Sustainable Public Procurement and Green Label Program in Viet Nam, Nguyen Minh Cuong and Nguyen Thanh Nga, Vietnam Environment Administration (VEA), Department of International Cooperation and Science, Technology (ISD), Vietnam**
- **Progress on Harmonization of Ecolabels in South East Asia, and the SCP in South East Asia, Luchakorn Prathumratana and Kanchanatetee Vasuvat, GIZ Thailand**



# ASEAN+3 GPPEL

Official Title: “Strengthening the capacities and improving the knowledge on green public procurement and ecolabelling in the ASEAN+3 region”

## Project objectives

1. Strengthen SPP and ecolabelling in the ASEAN region, based on the expertise of China, Japan and the Republic of Korea in the combined use of SPP and ecolabelling
2. Enhance South-South collaboration on those topics
3. Ensure a broad and effective participation of ASEAN+3 countries in the activities of the 10YFP SPP Programme



# ASEAN+3 GPPEL – Current Progress



**A.** Creation of an ASEAN+3 network of SPP and Ecolabelling experts and policy makers and organization of yearly meetings of the network

- Network assembled, meetings held in Seoul (2013), Bangkok and Beijing (2014). December 2015 Conference. New name “Asia-Pacific GPPEL Network”

**B.** Development of ASEAN case studies on GPP and ecolabelling implementation

- 4 case studies developed (China, Japan, the Republic of Korea, and Thailand) with more on the way – 7 new case studies from China, Japan, the Republic of Korea, and Thailand currently developed by GPNM. Comparative study of the four countries currently being conducted by UNEP as the base of the training material for the upcoming training workshop in Kuala Lumpur

**C.** Sharing GPP and ecolabelling knowledge through a regional capacity building scheme

- SPP Training held in Seoul (2013), another to be held in Kuala Lumpur, November 2015
- Knowledge sharing at meetings and through webinars

**D.** Link with 10YFP SPP Programme

- Case studies

# Ground Projects: SPPEL (2013-2017)

SPP and Eco-labelling



**PRODUCT**  
[sustainable public procurement | ecolabelling]



## Goals

**1.** Stimulate the demand and supply of sustainable products

**2.** Provide capacity development and technical assistance to public and private actors on the development and implementation of SPP policies

**3.** Promote the use of eco-labelling and achieve synergies with SPP

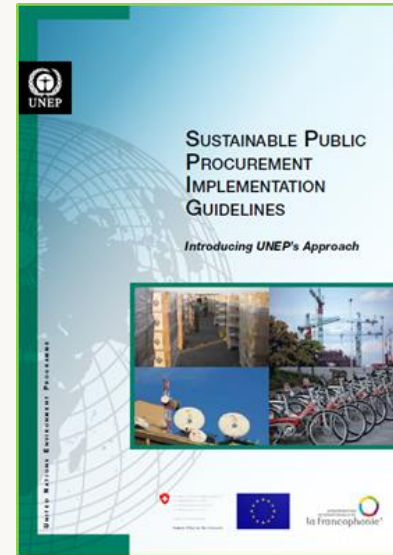
## Project Components

1. National
2. Regional
3. Communication and Outreach – Support to 10YFP SPP Programme

# 10YFP SPP: The UNEP SPP approach



The goal of the SPP Approach is to create a policy framework that legitimizes actions to implement SPP and, in turn, informs the market of the objectives and priority areas so that it can gradually adapt.



The Guidelines of the UNEP SPP Approach incorporate the lessons drawn from the testing of the MTF Approach to SPP that UNEP rolled out in 7 pilot countries from 2009 to 2012.



# UNEP Sustainable Public Procurement and Ecolabelling, & EaP Green Project Countries 2013-2017



# National and Regional updates

**India:** focus on eco-labelling. Funding agreement signed.

**Mongolia:** SPP Component in the framework of the Partnership for Action on Green Economy

Progress to date: institutional arrangements, status assessment study, legal review

**Vietnam:** next presentation

**Regional component:** Work with research institute in the region on collaboration on ecolabelling in the context of GPP, start date: September 2015. First presentation of work's progress for inputs from network members: December 2015.







The 2<sup>nd</sup> bi-annual webinar of the  
Asia-Pacific GPPEL Network



# **Sustainable Public Procurement and Green Label Program in Viet Nam**

**Webinar, 26 August 2015**

# Outlines

- Status on SPP practices in Viet Nam
- Vietnam Green Label Program
- Potential for implementation of SPP in Viet Nam
- Conclusions & recommendations

# Current Status on SPP implementation in Viet Nam

## - *Institutional landscape of public procurement*

- The Law on Procurement No 61/2005/QH11 (dated December 12, 2005) is the highest legislative document regulating public procurement.
- **The governmental organisations and agencies participating in the public procurement system include:** *State agencies, political organisations, socio-political organisations, professional- social-political organisations, professional- social organisations, social organisations, people armed forces, independent public service delivery units, State corporations and enterprises*
- Since 2008, Viet Nam has applied the mechanism of **decentralised public procurement**
- According to the survey conducted in 2014, public spending in VN represents between 20-30% of the total government budget

# Current Status on SPP implementation in Viet Nam

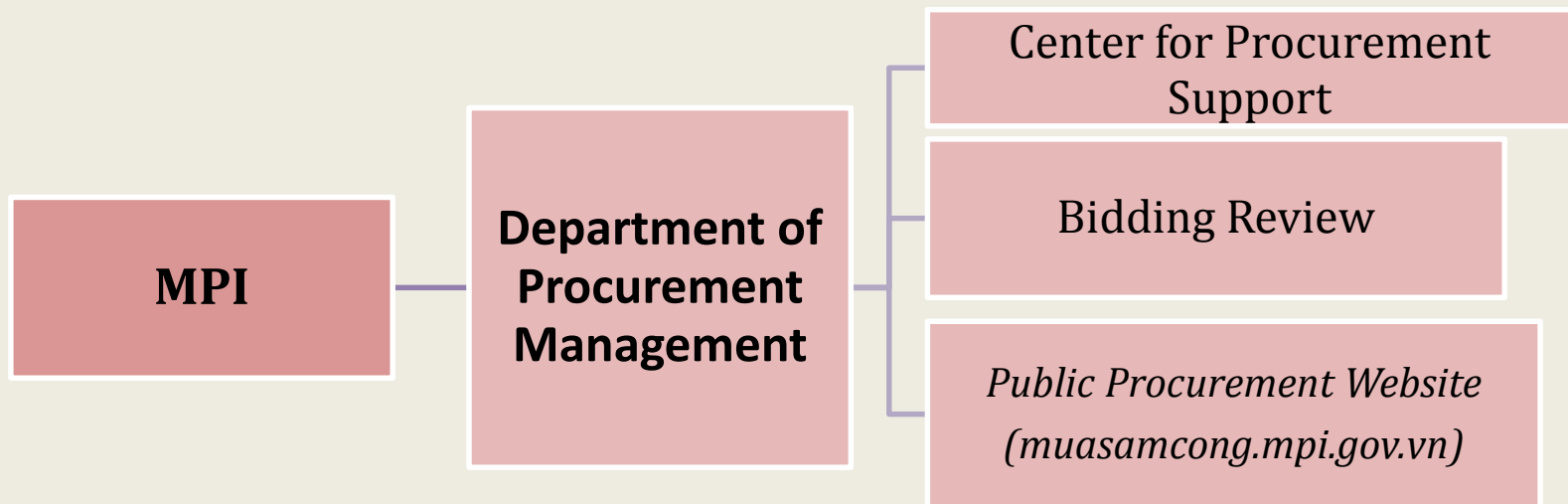
## *- Institutional landscape of public procurement*

Among those central agencies, **MPI, MOIT, MONRE, MOF, MARD** are the organisations which have the most significant influence on the implementation of SPP. Those agencies are also the biggest public buyers and are thus highly involved in the national public procurement system.

- **MPI** is responsible for the comprehensive State management of all procurement activities nationwide, including public procurement;
- **MOF** has the responsibility to support other ministries, central agencies, and provincial people committees to establish a unit/department for centralised public procurement. The General Department of Tax Policy & the Department of Public Asset Management – MOF are most relevant in terms of product innovation for sustainable development;
- **MONRE** is performing State management functions in the fields of natural resources and environment protection. VEA - MONRE is responsible for environment protection activities at national level, including the management of the Green Label programme.

# Procurement structure and procedure

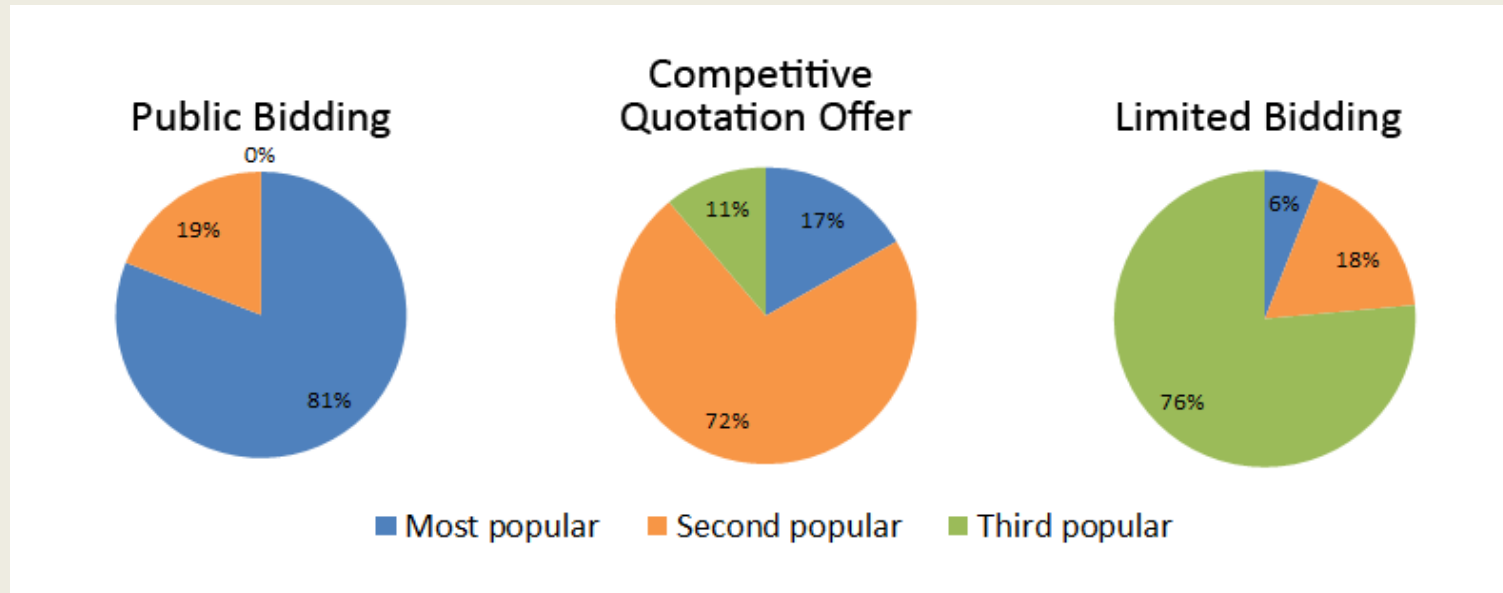
- In 2007, the MOF issued an instruction on **decentralised public procurement**. According to this instruction, Ministries, Governmental Agencies, and People Committees at all levels are responsible for procurement activity of their organisations
- However, **the decentralised procurement approach** regulated by the above-mentioned Circulars of MOF **was modified**. According to this decision, Department of Public Procurement - MPI manages public procurement on behalf of all Ministries and Governmental Agencies.



# *Budget management*

- **The Circular no. 63/2007/TT-BTC dated on 15<sup>th</sup> June, 2007 issued by MOF defined the sources of budget for public procurement, which include:**
  - ✓ State budget, appointed by the state authorities for annual expenditure of the central agencies;
  - ✓ Credit capital, authorised by the state; other capital managed by the state;
  - ✓ Grants, financial support budget, capital from international and domestic donors (individuals, organisations) which is managed by the State (except the procurement following donors' request);
  - ✓ Income from fee which is used and managed according to national legislation;
  - ✓ Income from operation fund, social security fund of public agencies;
  - ✓ Other appropriate income according to national legislation (if available).

# Popular bidding methods in public procurement



**Public bidding is the most popular method, followed by competitive quotation offer and limited bidding. The method of direct purchasing and self-procuring are only applied to purchase goods in low quantities and for small budgets.**

## *The integration of sustainability criteria in the suppliers' and bids' evaluation*

- The evaluation methods of public procurement bidding documents include: *the service price method, State budget contribution method, State benefit and social benefit method, and integrated approach;*
- The **main criteria for evaluating the bidding documents**: experience and capacity assessment; technical criteria; financial criteria. Regularly, the suppliers are evaluated based on criteria demonstrating their capacity to supply e.g. financial stability, quality, service performance, capacity
- As defined in the Law on Procurement, **sustainable criteria** (social and environmental) **are not listed as the main criteria** for evaluating the renderers. Some sustainable criteria were developed but there is no obligation for public procurers to integrate them into the public procurement procedures. As a result, they were neglected in most cases
- At the moment, there is **no national regulation to SPP** in Vietnam



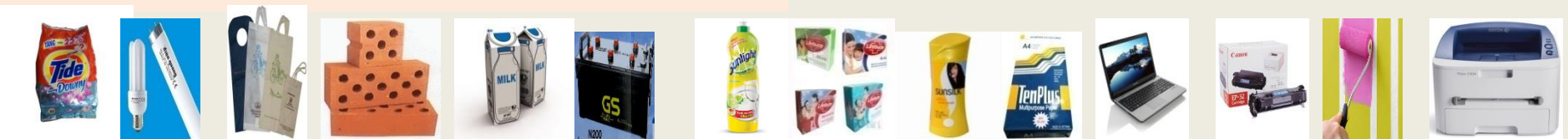


# Vietnam Green Label Programme

- Established in 2009 by Ministry of Natural Resources and Environment
- Objectives: Enhancing sustainable use of natural resources and environmental protection by encouraging patterns of environmental-friendly production and consumption certified by the Vietnam Government
- Standards based on life-cycle assessment (LCA), focus on pollution control through production to disposal of products



- Type I ecolabelling program following ISO 14024





# Vietnam Green Label Programme

- **Article 47 of the Decree guiding in details the implementation of Law on Environmental Protection 2014**

“1.The Heads of state budget - funded agencies and units are responsible for putting a high priority on public procurement of the kinds of product specified in Clause 12 and Clause 13 of Appendix III of this Decree.

The Ministry of Finance shall take lead and coordinate with the Ministry of Natural Resources and Environment in developing the regulations on public procurement of environmentally friendly products as specified in this paragraph.

**2. Organizations and individuals shall give priority to purchase of environmentally friendly products under the guidance of the Ministry of Natural Resources and Environment.”**





# Organisation Structure





# Standard development Process

Defining the product/service category by Vietnam Green Label Program  
Consulting Council



Drafting standards by Technical Commission



Consulting standards by Stakeholders (enterprises, consumers, experts)



Revising draft standards by Vietnam Green Label Program Consulting  
Council



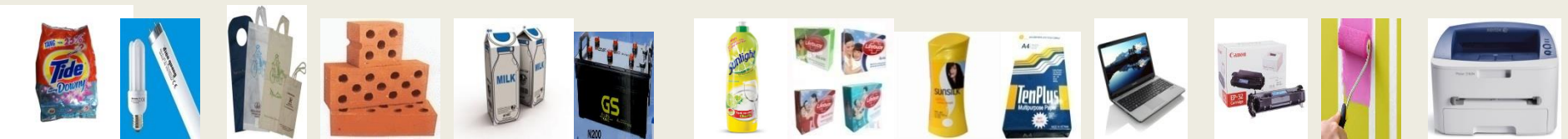
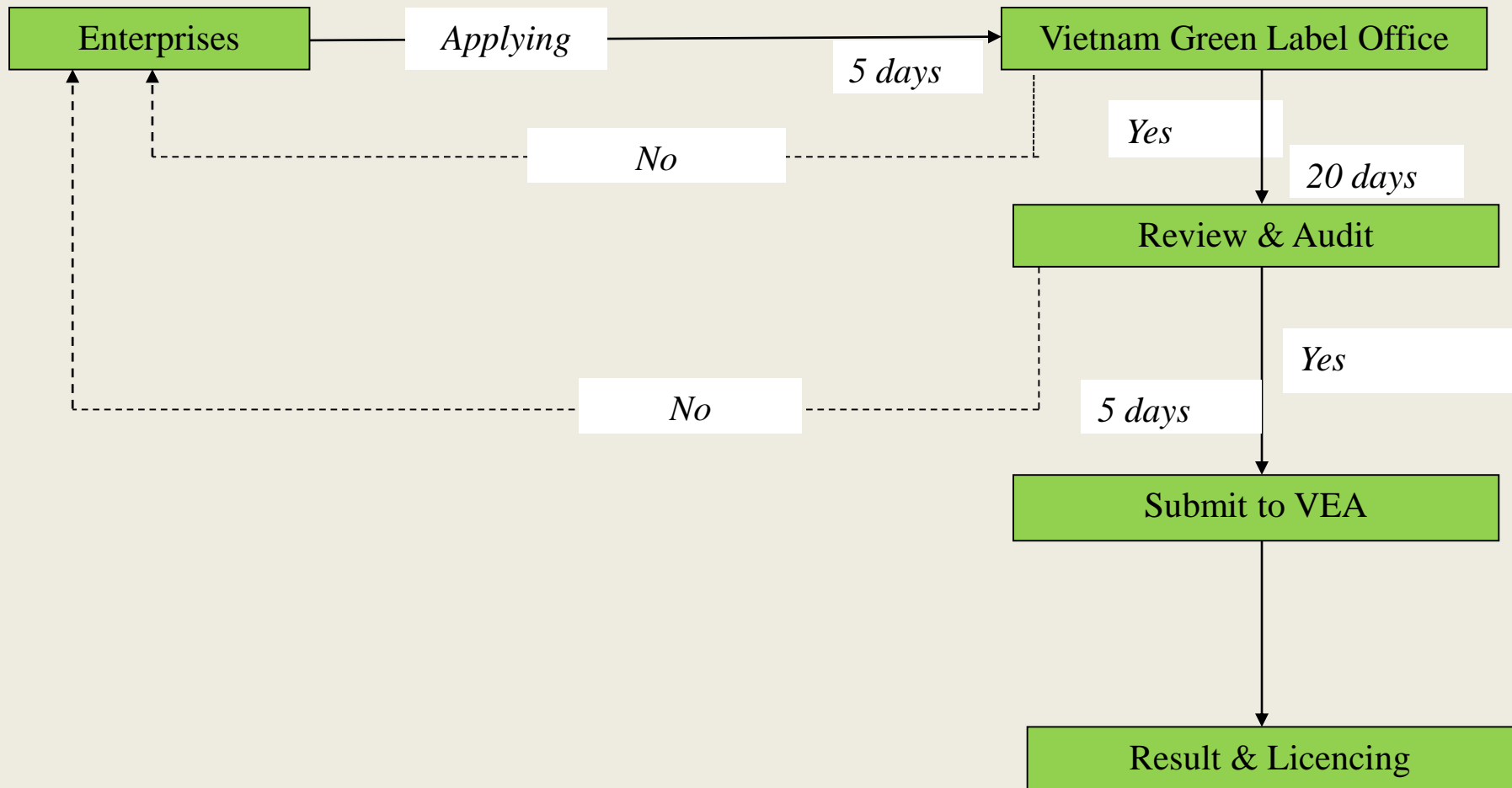
Promulgating standards by Minister of Environment and Natural  
Resources





# Vietnam Green Label

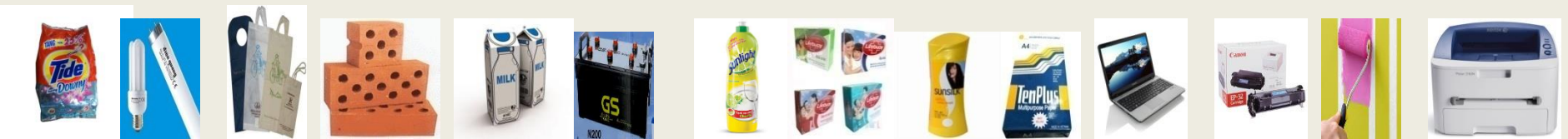
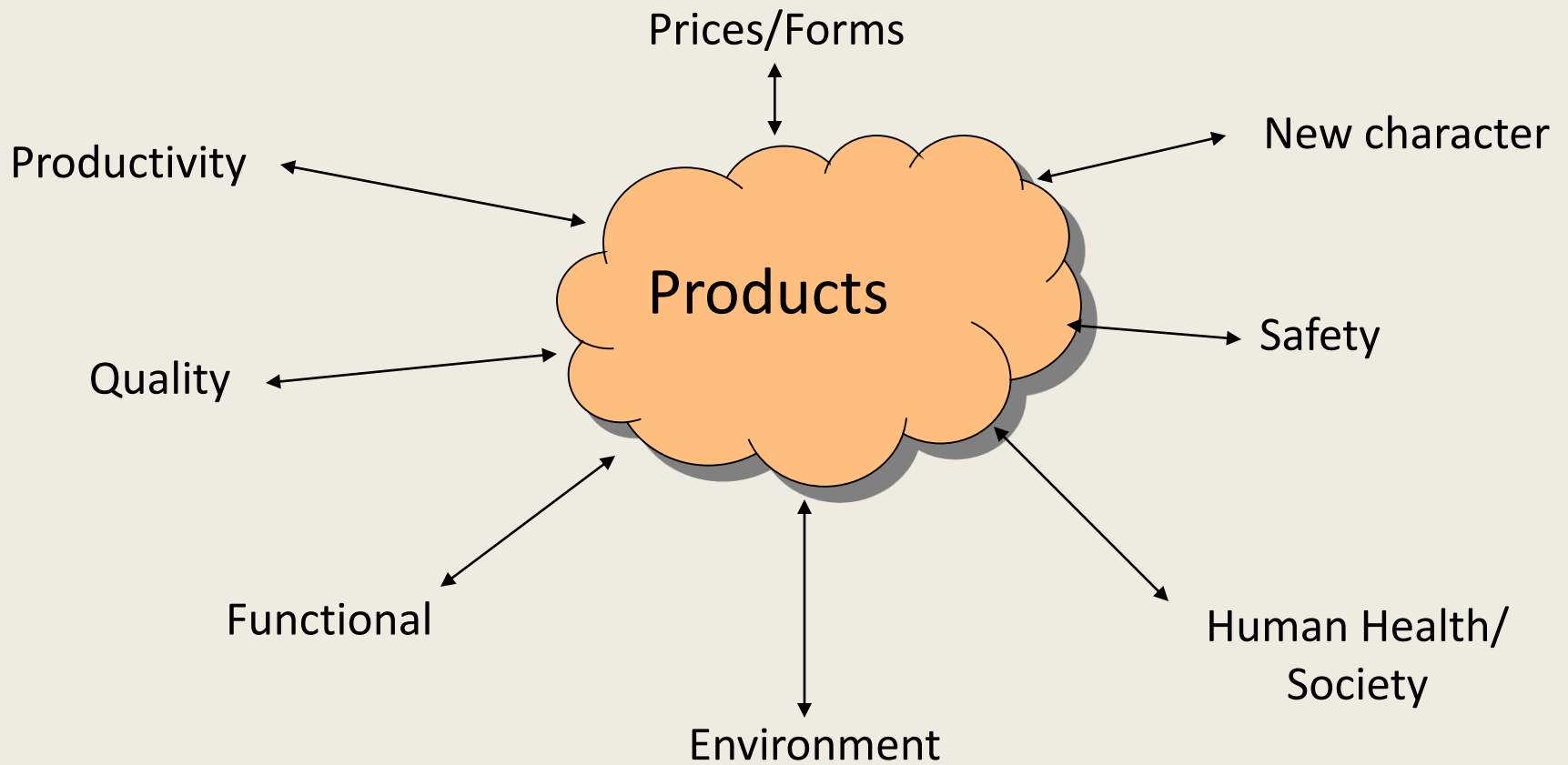
## Certification process





# Vietnam Green Label

## Audit requirements





# Vietnam Green Label

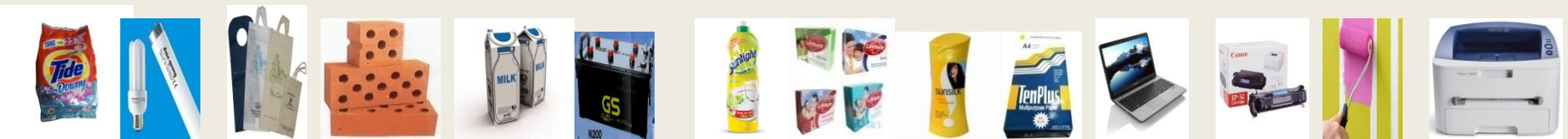
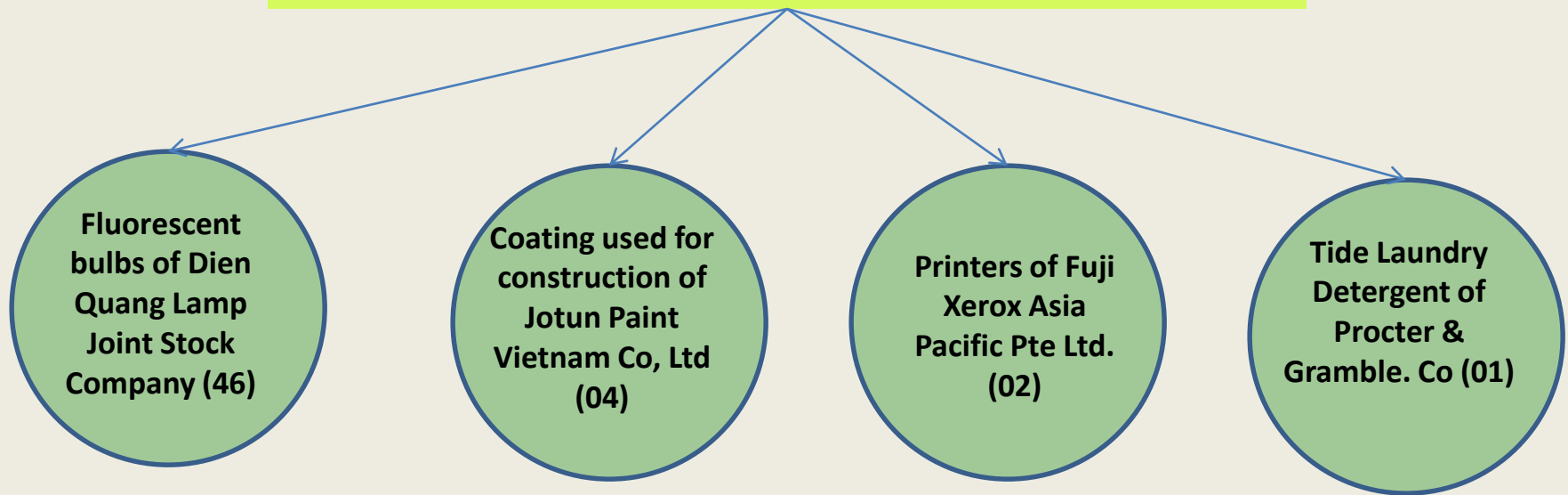
Active Standards (14): Paper office, batteries, architectural coating products, printers, laptops, ceramic building materials, hair care products, solid soap, powder laundry detergent, hand dishwashing detergents, biodegradable plastic shopping bag, synthetic paper food packaging, fluorescent lamp, toner cartridge





# Vietnam Green Label

## Certificated products





# Potential for implementing SPP in Viet Nam

- **Opportunities:**

- ✓ Many policies, strategies and national plan which have both direct and indirect connection and relation with SCP in general and with SPP in particular (National Strategies: Green Growth, Green Economy, Environment Protection, Sustainable Development);
- ✓ SPP has great potential of implementation at the moment, in the context of centralised public procurement according to the Decision no.179/2007/QD-TTg dated on 26<sup>th</sup> November 2007 issued by the Prime Minister
- ✓ Support from Central Agencies, State owned Enterprises on promoting SPP in Viet Nam

# Potential for implementing SPP in Viet Nam

- **Challenges:**

- ✓ Low enforcement of legal frameworks and insufficient coordination between relevant public bodies
- ✓ The implementation of SPP, specifically the integration of sustainable criteria (i.e. EIA) in procurement procedure, needs a stronger and closer coordination between relevant ministries and sectors (e.g. MPI, MOF and MONRE).
- ✓ The loose connection and interaction between legal documents, as well as the low cooperation and coordination between relevant Ministries, became huge problems constraining the introduction of SPP
- ✓ The awareness and capacity of procurement officers on SPP are still very low.
- ✓ The training material on SPP, with contents on integrating sustainable criteria into public procurement has not been comprehensively developed.

# Conclusions

- ▶ Public Procurement system has been built relatively perfect, with clear legislation on regulations, processes and procedures
- ▶ The initial efforts on introducing and raising awareness on SPP by the Government and related ministries, sectors, in both direct and indirect approaches are remarkable and have achieved initial results;
- ▶ In the procurement practices and procedures aspect, the regulations on creating priorities for enterprises applying social were stated in the Law on Procurement to implement in public procurement.
- ▶ The environment protection criteria are currently applied for the energy saving products. However, there is no regulation for applying environmental criteria in legal framework of public procurement;
- ▶ Vietnam has still face with obstacles when applying SPP

# Recommendations

- Several regulations related to SPP need to be developed soon;
- A programme to introduce and promote SPP at national level should be developed and carried out including communication activities to raise awareness, enhance capacity for procurement officers, and develop a training material which instruct the integration of sustainable criteria into public procurement
- The existing eco-labels programmes are also needed to be widely introduced and integrated in the SPP programme;
- The tenderers side, the good/service providers need to raise their awareness on SPP and offer products and services with sustainable technical specifications to respond to the demand of the public sector



Thank  
You





# **Progress on harmonization of Eco-labels in South East Asia**

Lunchakorn Prathumratana, Ph.D.

26 August 2015

## Mutual recognition agreement - Thai Green Label and Hong Kong Green Label Scheme

---

- As a result of a meeting with Thai manufacturers organized with support from GIZ in February 2015, Thailand Environment Institute (TEI) proposed to the Hong Kong Green Council to having MRA on an acceptance of verification on behalf of each other.
- GIZ facilitates the process on exchanging information and drafting of MRA.
- The MRA has been finalized and will be signed during the GEN Annual Meeting 2015 (27-30 October 2015) in Hong Kong.

## Mutual recognition agreement - Thai Green Label and SIRIM Eco-label (Malaysia)

---

- Draft options of MRA was proposed to TEI and SIRIM since December 2014.
- Ongoing process of exchanging information about certification procedure.



## “ Technical Workshop on Harmonization of Type I Eco-labels in selected countries of South East Asia through Common Core Criteria (CCC)” on 25-26 March 2015, Bangkok, THAILAND

---

Participants: 28 participants from Indonesia, Malaysia, Philippines, Thailand, those are in charge of National GPP and ecolabels

### Objectives:

1. To develop common core criteria for the selected products which can lead to mutual or multilateral recognition agreements among Type I Eco-labels in selected countries of South East Asia.
2. To discuss opportunities for cooperation within the framework of a new project, which will follow after SCP4LCE (Project name: “Advance SCP”).

## **“ Technical Workshop on Harmonization of Type I Eco-labels in selected countries of South East Asia through Common Core Criteria (CCC)” on 25-26 March 2015, Bangkok, THAILAND**

---

### Outputs:

1. Draft common core criteria of 3 products (multifunction printers, fluorescent lamps, and fiber cement board) were preliminary agreed for working towards MRA.
2. Action plan of each Ecolabelling program was developed for further step towards signing MRAs based on common core criteria
3. Opportunities for cooperation within the new project has been preliminary discussed and formulated.

## Conclusion

---

- The MRA between Thai Green Label with Hong Kong and SIRIM is a generally first step of cooperation among Type I eco-labels.
- The CCC developed by the workshop will lead to a higher level of MRA between eco-labels.

# Thank you!

Contact

Thomas Lehmann  
Project Director

Sustainable Consumption and Production for Low  
Carbon Economy – Low Emissions Public Procurement  
and Eco-Labeling (SCP4LCE)

E [thomas.lehmann1@giz.de](mailto:thomas.lehmann1@giz.de)  
I [www.thai-german-cooperation.info](http://www.thai-german-cooperation.info)

# **SCP in Southeast Asia: Achievements and Advancement**

2 September 2015

Anantara Bangkok Riverside Resort & Spa, Thailand

# Objectives

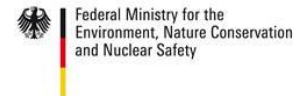
- To present the achievements and lesson learned of the Sustainable Consumption and Production for Low Carbon Economy – Low-Emission Public Procurement and Eco-Labeling (SCP4LCE) project
- To launch the new project “Advancing and Measuring Sustainable Consumption and Production (SCP) for a Low-Carbon Economy in Middle-Income and Newly Industrialized Countries (Advance SCP)”

# Background



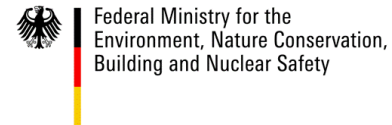
SCP4LCE

(Sustainable Consumption and Production for Low Carbon Economy – Low-Emission Public Procurement and Eco-Labeling)





(Advancing and Measuring Sustainable Consumption and Production (SCP) for a Low-Carbon Economy in Middle-Income and Newly Industrialized Countries)





# Tentative Agenda

Time	Programme
08:00	Registration
09:00	Welcome address and Opening remarks
09:30	Overall Project information and achievements
10:00	Challenges and Lessons Learns on GPP and Eco-Labeling for 3-year timeline of SCP4LCE project

Time	Programme
14:00	Perspective of BMUB on “Advance SCP” project – Why we need Advance SCP?
14:20	UNEP on “Advance SCP”
14:40	GIZ on “Advance SCP”
15:20	Wrap up and conclusion
15:40	Tree planting campaign
16:00	Closing remarks

We are pleased to invite you all to participate this event.

The event will be held at Anantara Bangkok Riverside Resort & Spa,  
Bangkok Thailand.

If you need more information, please do not hesitate to contact us at  
[kanchanatetee.vasuvat@giz.de](mailto:kanchanatetee.vasuvat@giz.de)

**THANK YOU**