

# Green Public Procurement of Korea

Joon Sung AHN  
Associate Researcher  
Division of Sustainable Business, Office of Green Transition  
Korea Environmental Industry & Technology Institute

# Contents

**1** Legal and Policy Framework

**2** Implementing mechanism

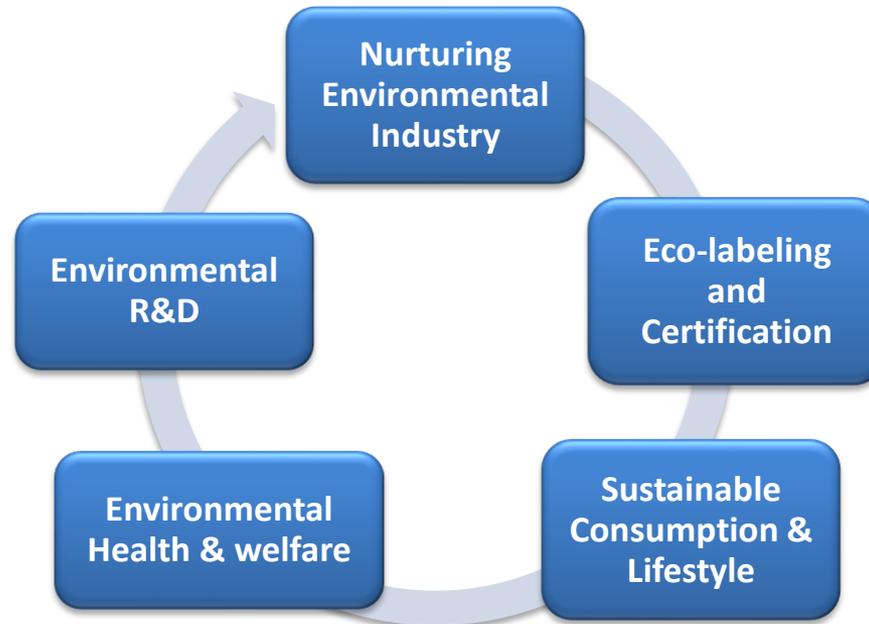
**3** Monitoring and Measuring Benefits

**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, nurturing environmental industry, safeguarding environmental health, and promoting eco-friendly consumption & lifestyle
- 🌿 **Work Areas**



# Part 1

## Legal and Policy Framework

---



# National environment and development plans supporting GPP

- **(MOE) National Environmental Comprehensive Plan (1996-2005, 2006-2015)**

\* Based on Framework Act on Environmental Policy in 1990

- **(MOE) National Sustainable Development Implementation Plan(2006-2010, 2011-2015)**

\* Based on Sustainable Development Act in 2007

- **(Prime Minister) 5-year Plan for Low Carbon Green Growth(2009-2013)**

\* Based on Framework Act on Low Carbon, Green Growth in 2010

- **(National Council for Sustainable Development, MOE) K-SDGs(Dec. 2018-)**

\* Based on Sustainable Development Act



# 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

- **1<sup>st</sup> 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

- **2<sup>nd</sup> 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>rd</sup> Action Plan for Promoting Purchase of Green Product** (2021-2025)
  - Policy approach to reach carbon neutrality(Net-Zero)

# History of GPP policies in Korea



- Launched **Korean Eco-label programme in 1992**
  - Initiated by MoE, based on Regulations on operation of Eco-labelling programme
- Enforced the **Acts on Development of and Support for Environmental Technology by MoE in 1994**
  - Recommends public institutions to **preferentially purchase green products** (products awarded EL or GR mark)
- 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)**



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

- **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
  - Definition of Green Products



- **Ministry of Environment and KEITI are in charge of**
  - **Collating GPP plan and records, monitor and evaluate the GPP results**
  - Formulating a **master plan for GPP** every five years
  - Annually **establishing and notifying guidelines for GPP** for the following year
  - **Requesting Public Procurement Service** to take measures necessary for encouraging GPP

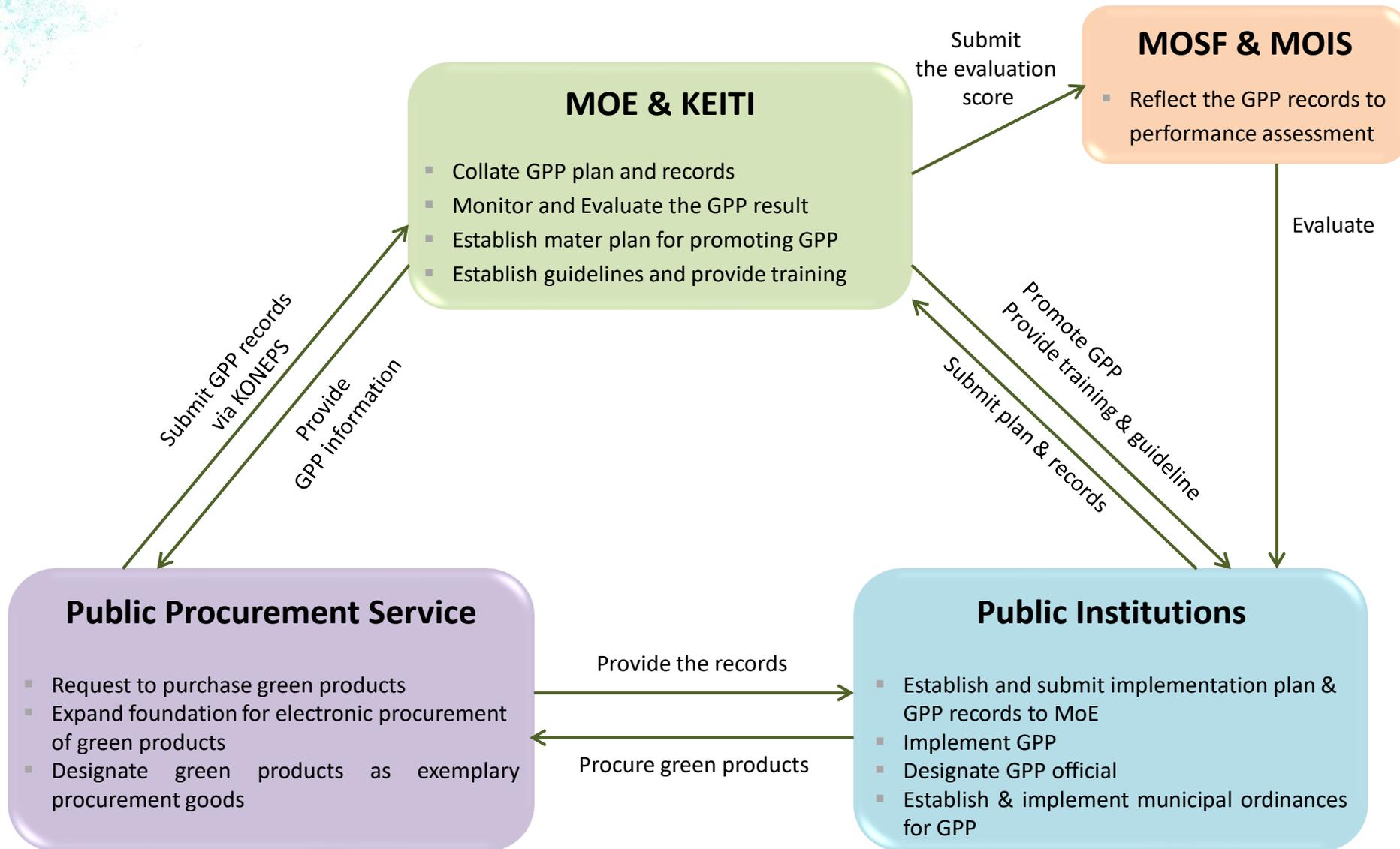
# Part 2

## 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)



Office Equipment	Label paper	Document file	Copying paper	Toner cartridge	Writing materials



TV	Air Conditioner	Projector	DVD player	Computer



Toilet paper	Detergent	Cleanser	Garbage bag	Disposable product

# Non-exhaustive list of Green Products



Furniture and  
Equipment

Office furniture



Chair



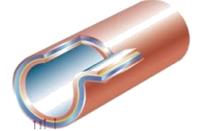
Chair table



Water-saving device



Drainage pipe



Engineering and  
Construction Materials

Pavements



Paper wallpaper



Wall finishes



Aluminum doors  
and windows



Aggregate



Engineering and  
Construction Materials

Flooring



Paint



Insulation



Adhesive



Sound insulating wall



# 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



공지사항	FAQ	수법기관 소식지
<ul style="list-style-type: none"> <li>· 2018년도 녹색제품 ... 2018.03.22</li> <li>· GR마크 인증제품 현황... 2018.03.09</li> <li>· 환경표지 인증제품 현황... 2018.03.06</li> <li>· &lt;사이버환경실무교... 2018.02.28</li> </ul>	<ul style="list-style-type: none"> <li>· 인증기업 회원가입 및 ... 2008.03.06</li> <li>· 녹색제품정보시스템 정보... 2006.10.14</li> <li>· 녹색제품의 정보를 등록... 2006.10.14</li> <li>· 회원가입 시 의무구매기... 2006.10.14</li> </ul>	<ul style="list-style-type: none"> <li>· 녹색구매 수법기관 소식... 2014.05.07</li> <li>· 녹색구매 수법기관 소식... 2014.01.21</li> <li>· 녹색구매 수법기관 소식... 2013.12.19</li> <li>· 녹색구매 수법기관 소식... 2013.11.07</li> </ul>

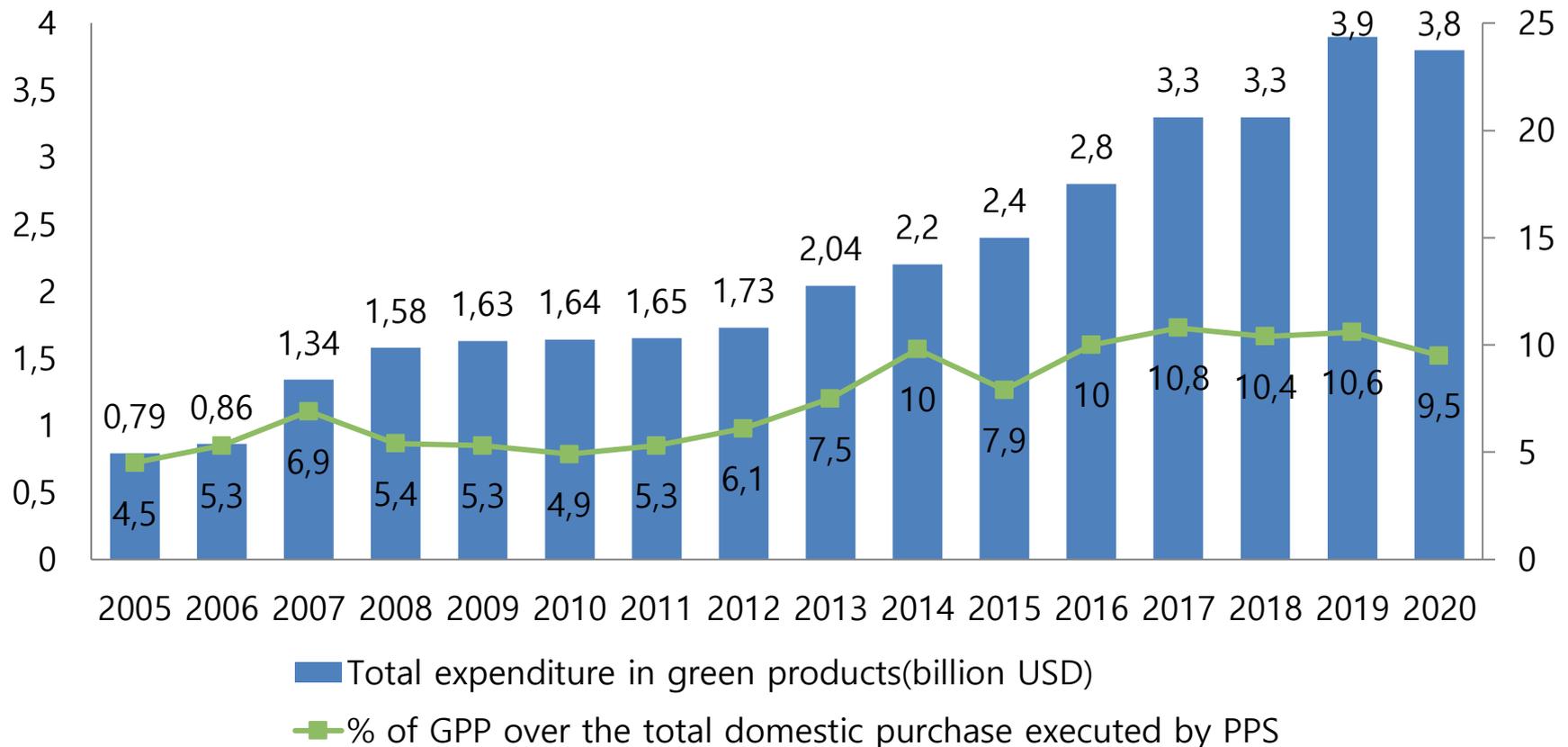


- Collate and monitor the implementation plan and record for GPP, relating with KONEPS
- Analyze the reason why public entities didn't purchase the green products
- Public institutions should justify if the green purchase record has increased from the previous year by  $\geq 50\%$  or decreased by  $\leq 30\%$

# Monitoring Results of GPP in Korea

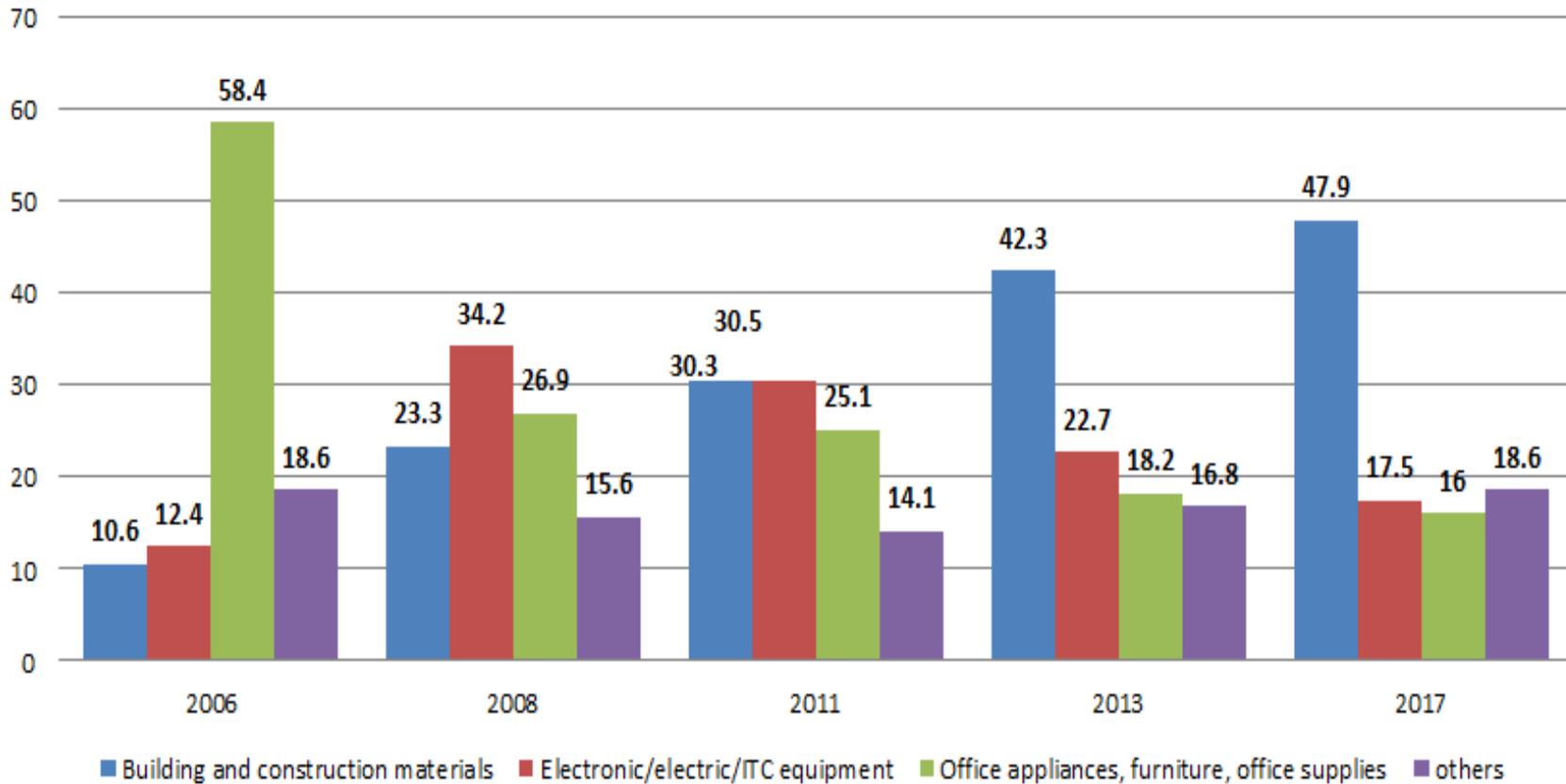
## Expenditures in green products

- Korea's GPP recorded around 3.8 billion USD in 2020 which has increased more than 4.8 times compared to the one of 2005.



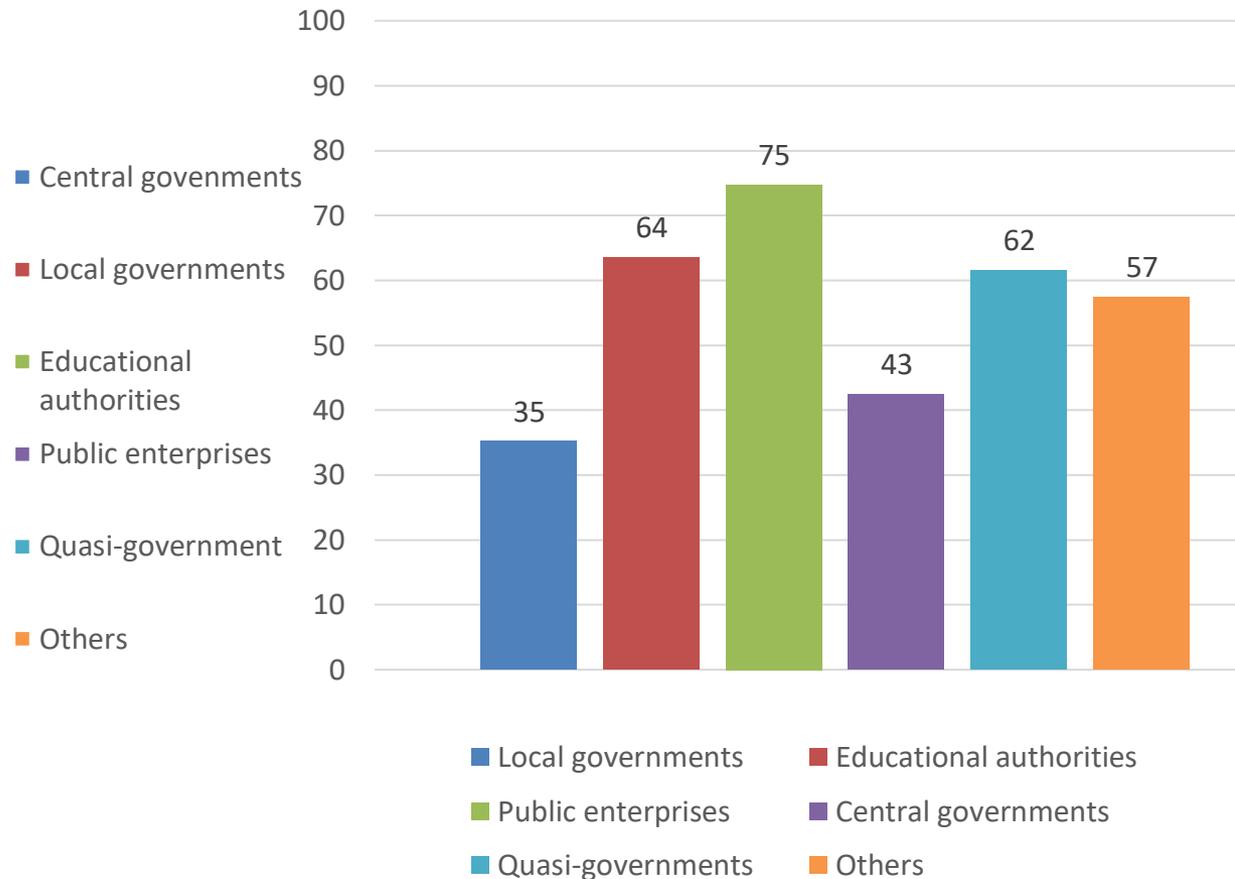
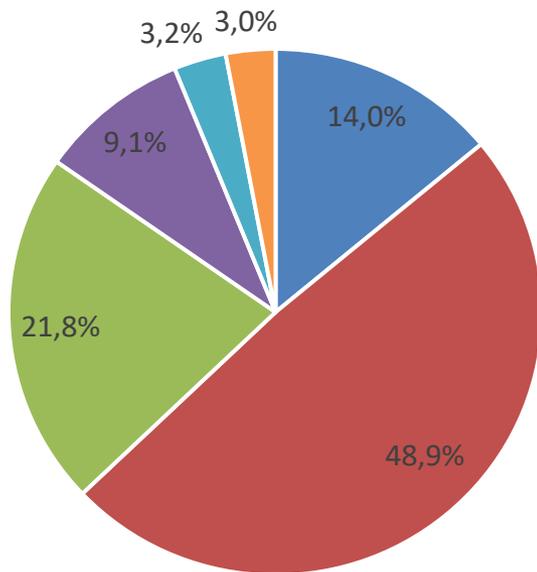
# Monitoring Results of GPP in Korea

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



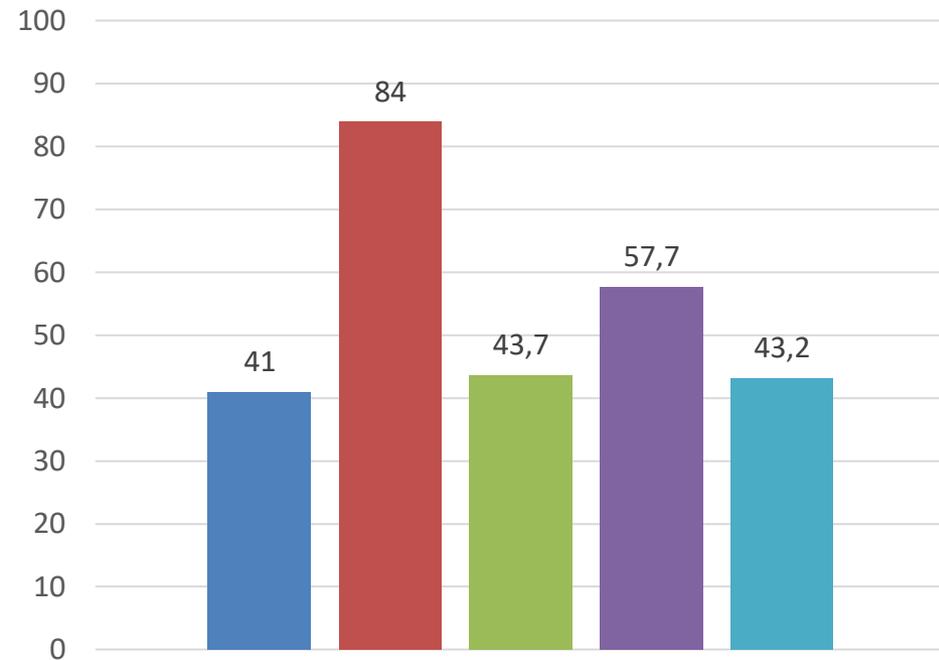
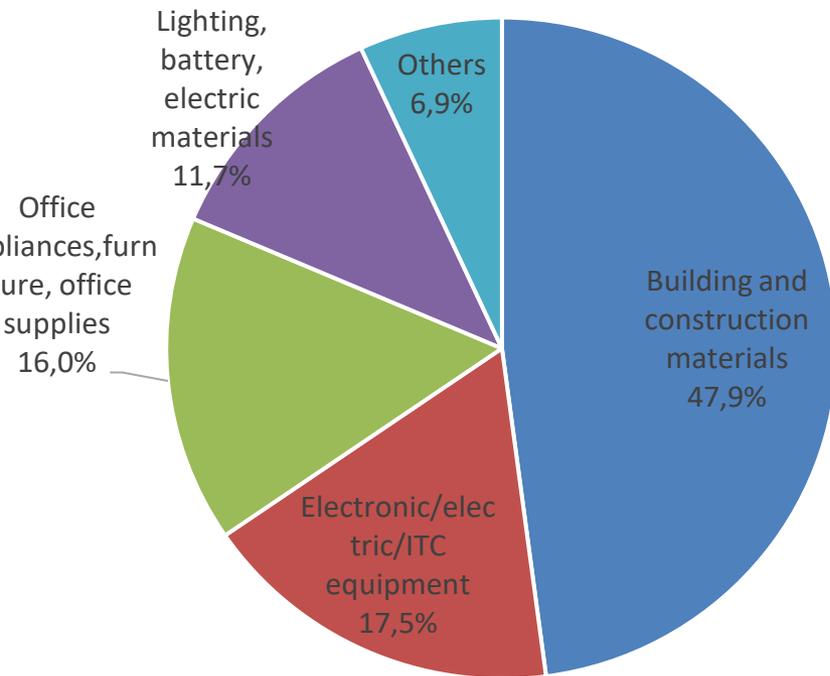
# Monitoring Results of GPP in Korea

## Composition & Percentage of GPP by Organizations in 2017 (%)



# Monitoring Results of GPP in Korea

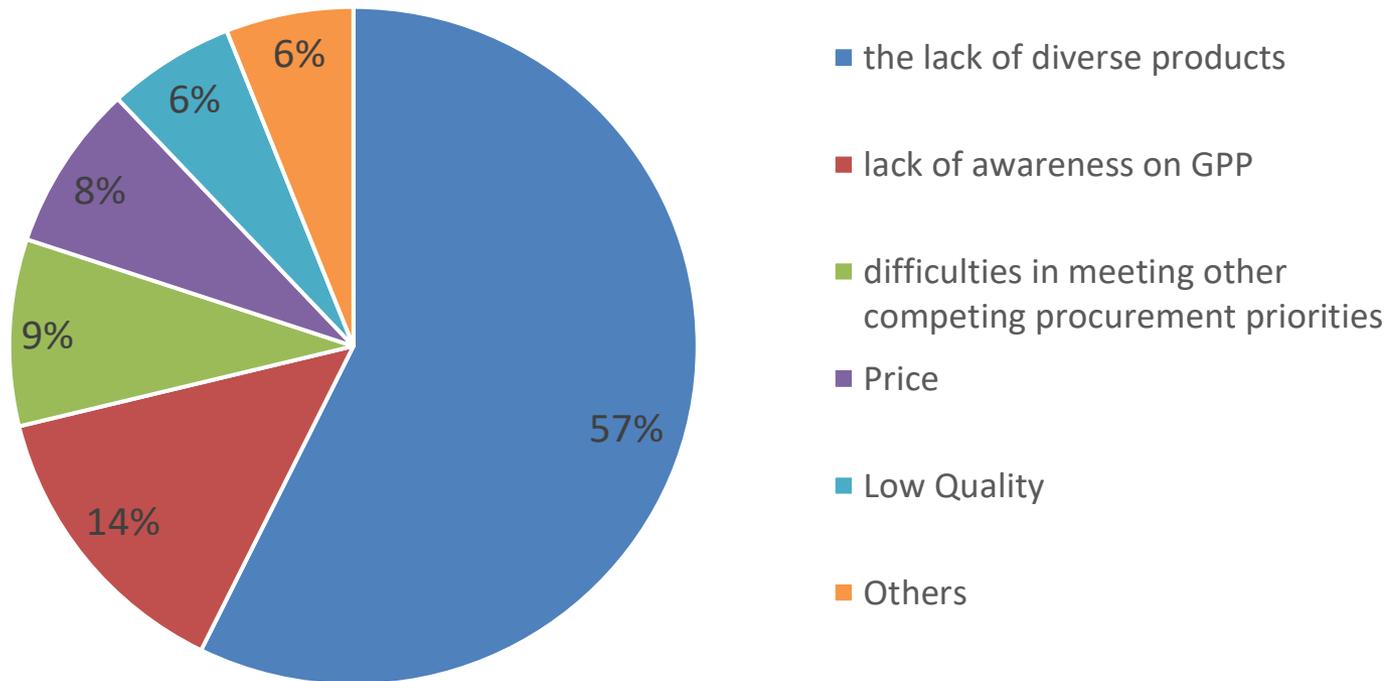
## Composition & Percentage of GPP by Product Groups in 2017 (%)



- Building and Construction Materials
- Electronic/electric/ICT equipment
- Office appliances, furnitures, office supplies
- Lighting, battery, electric materials
- Others

# Survey Results on the **obstacles to GPP**

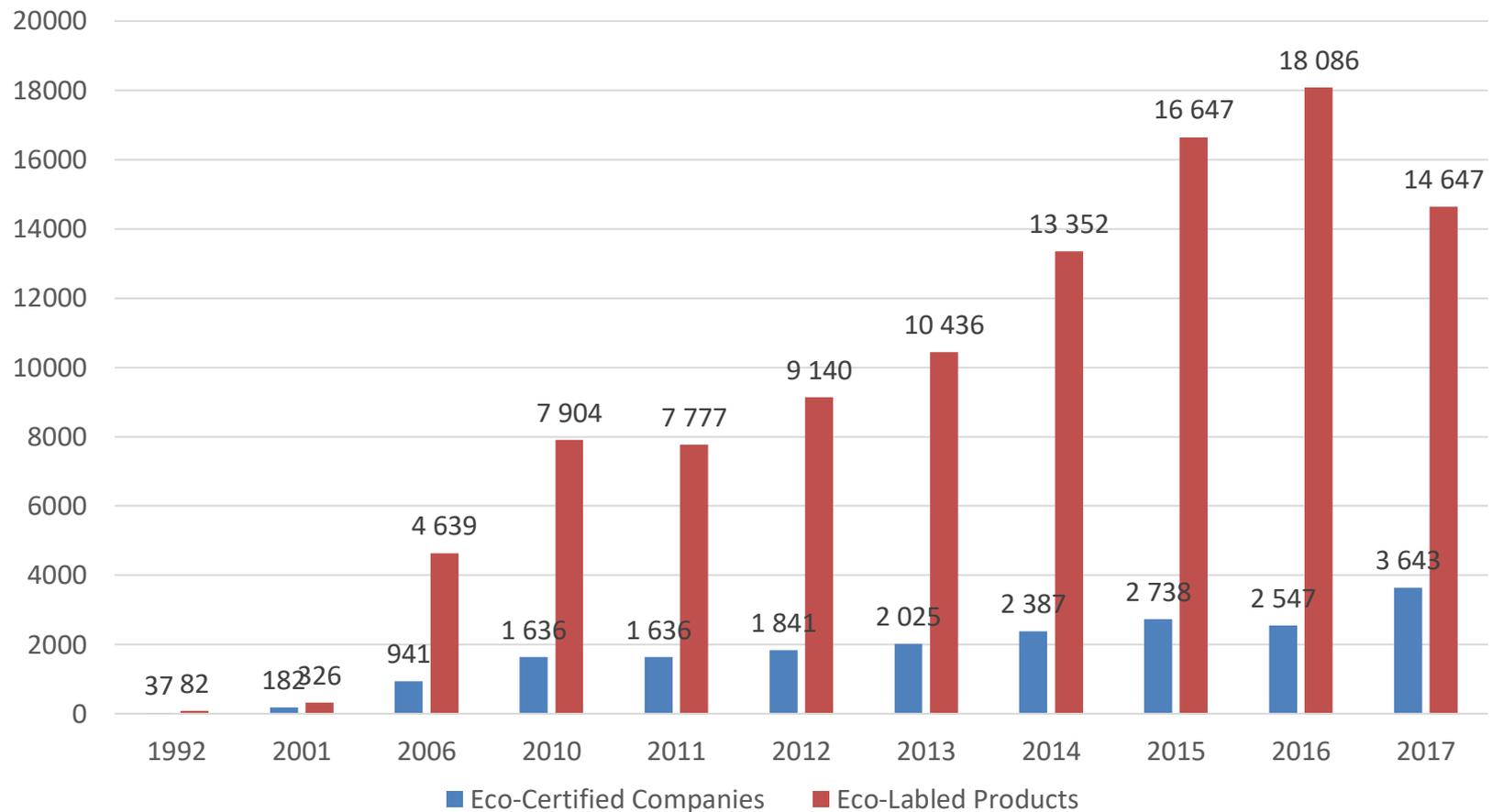
- KEITI conducted survey on the obstacles hampering GPP with around 5,000 procurers via Green Product Information System in 2018



# Sustainability Impacts of GPP in Korea

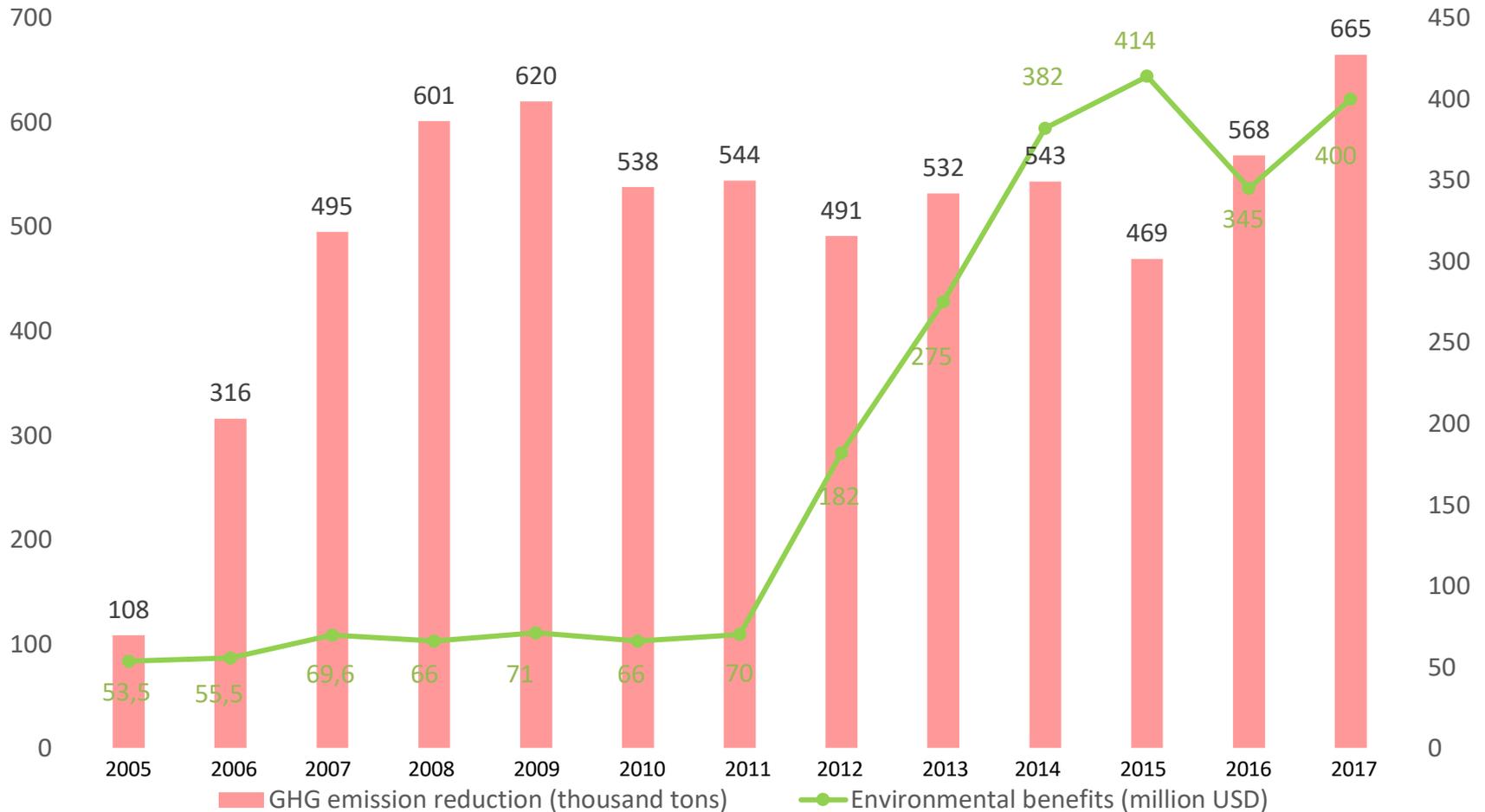
## Growing market for eco-labeled products

- GPP extend the eco-labeled products market



# Sustainability Impacts of GPP in Korea

## Environmental Impacts



# Part 4

## Way forward

---



# Reviews on GPP in Korea

12

RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



Ensure sustainable consumption  
and production patterns

## I. SUMMARY

The region has regressed on sustainable consumption and production (SCP) and urgently needs to reverse material consumption and footprint trends to meet the goal, notwithstanding progress on individual targets. Rising incomes and lifestyle changes and continued resource-intensive growth patterns are expected to further exacerbate resource depletion and ecosystem degradation. Concerted public and private action is needed to increase resource efficiency, fundamentally shift consumption patterns and production processes, improve waste management systems, and transition toward a more circular economy approach.

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

## 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 2004<sup>34</sup>.

# International Forum: [Green Public Procurement as a driver to achieve SDGs]



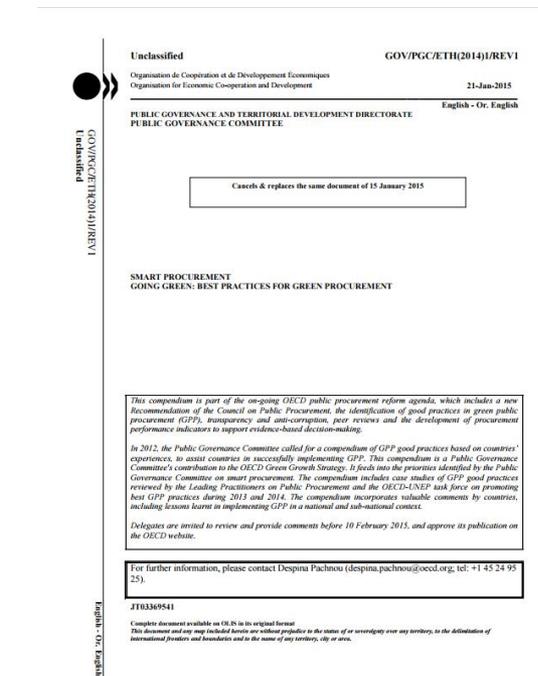
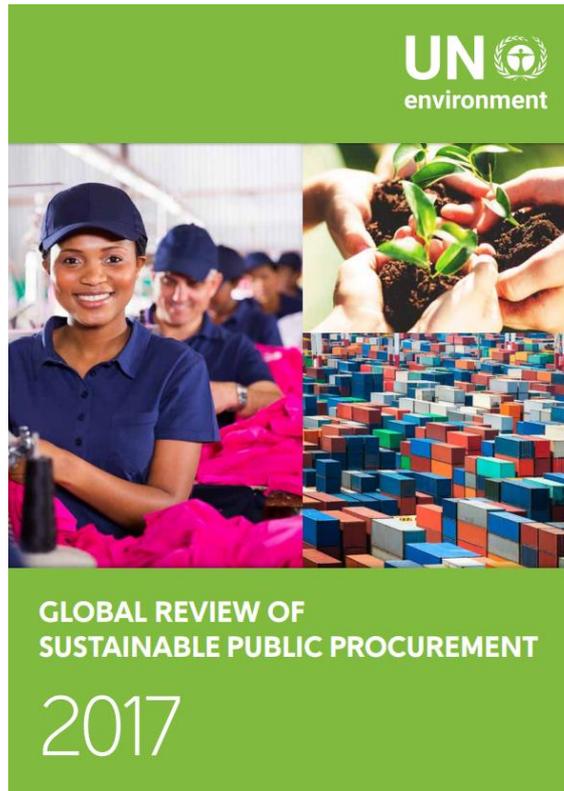
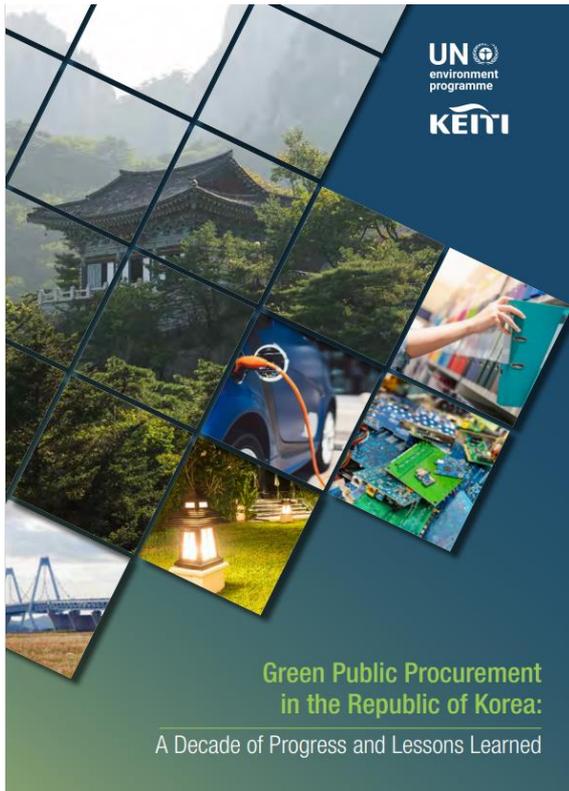
# Leading City Network on Green Public Procurement

- KEITI has initiated 'Leading City Network on GPP', a business initiative promoting GPP.
- Collaborating with local governments, KEITI has made plans for GPP Enhancement, giving consultation on GPP.
- Also, the network activities include activities such as workshops, trainings, GPP guidelines, Policy Market Forum, and Twin-cities Network.



# Other Sources on GPP in Korea

## Case Studies and Awards on GPP in Korea



# Success factors and Challenges



## Success factors

- Clear legal and policy framework for GPP
- GPP criteria based on Eco-labelling
- Well-established e-procurement 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  
: Spend 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 AP region**

# Thank You very much!



**KEITI**

한국환경산업기술원  
Korea Environmental Industry & Technology Institute