



# Role of Various Agencies and Organizations in Green Procurement and Greening the Supply Chain----- Case of Taiwan

Dr. Ning Yu, Chair  
Green Purchasing Alliance , Taiwan

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and its Impact on the Green Supply Chain, Kuala Lumpur,  
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# Outline

- Green Consumption and Production
- Green Procurement
  - Government Green Procurement Measures
  - Private Sector Green Purchasing Activities
- Greening the Supply Chain



# Sustainable Consumption and Production



# Key Players

## 1. Governments

- Set laws and regulation
- Establish effective incentives and infrastructure
- Information provider
- Leader of GC through public procurement
- Use indicators to measure progress

## 2. Businesses

- Manufacturers, Retailers, Financiers and Providers of products and services
- Group consumers



# Key Players

## 3. Academia

- Developers of technology and tools

## 4. Non-governmental Organizations (NGOs):

- Supervisors of governments and businesses
- Promoters of initiative

## 5. Consumers

- Voters, Householders and Workers
- Foundation for success



# Some Initiatives

<b>Improving Products</b>	<b>Changing Patterns</b>
<b>Product Innovation</b>	<b>Developing a Strategic Vision</b>
<b>Regulation</b>	Planning and Demand Side Management
<b>Economic Instruments</b>	Redirecting Public Spending
<b>Ecolabelling</b>	<b>Education and Awareness Raising</b>
<b>Green Procurement</b>	<b>Supporting Community Action</b>
	<b>Capacity Building</b>



# Ecolabelling Programs in Taiwan

- **Green Mark Program**

- ISO Type-I Program
- Certified products recognized as Class-I products
- Initiated by **TEPA** in 1992, implemented by **EDF**
- Oldest, largest and most recognized eco-label worldwide
- 104 product categories



- **Energy Label and Water Conservation Label Programs**

- Both recognized as Class-III products
- Operated by **ITRI** under **Bureau of Energy**, Ministry of Economic Affairs and **Water Resources Agency**, MOEA, respective





# Ecolabelling Programs in Taiwan

- **Green Construction Material Label**

- Operated by **Taiwan Architecture Center** (TAC) under Architecture and **Building Research Institute**, Ministry of Interior Affairs
- Initiated in 2004



- **Energy Star Label**

- Operated by EDF under TEPA/USEPA
- Initiated in 2001 in Taiwan



- **Other labelling programs**







# Government Green Procurement



# Government Green Procurement Legislation

- **Article 96 of Government Procurement Act (1999)**
  - **may** purchase Green Mark products or equivalents preferentially
- *Plan for Implementing Green Procurement by Government Agencies (2001)*
- **34 designated product categories** (2008) include:
  - office equipments and utilities, home electrical appliances, water saving toilets, products made from recycled material and cleaning products, etc.
- **Common supply contracts** through **Central Trust**
- **Mandatory** for all levels of government agencies, institutions and state enterprises **to report** results
- Green Mark labelled products enjoy top priority procurement





# Typical Requirements

- Organization's green purchasing **policy, plan, goals**
- **Designated product categories, specific criteria, and other requirements**
- Compliance requirements (**target**)
- Provision of **information, assistance, training**
- **Monitoring and reporting** mechanism
- **Awards** to best performers





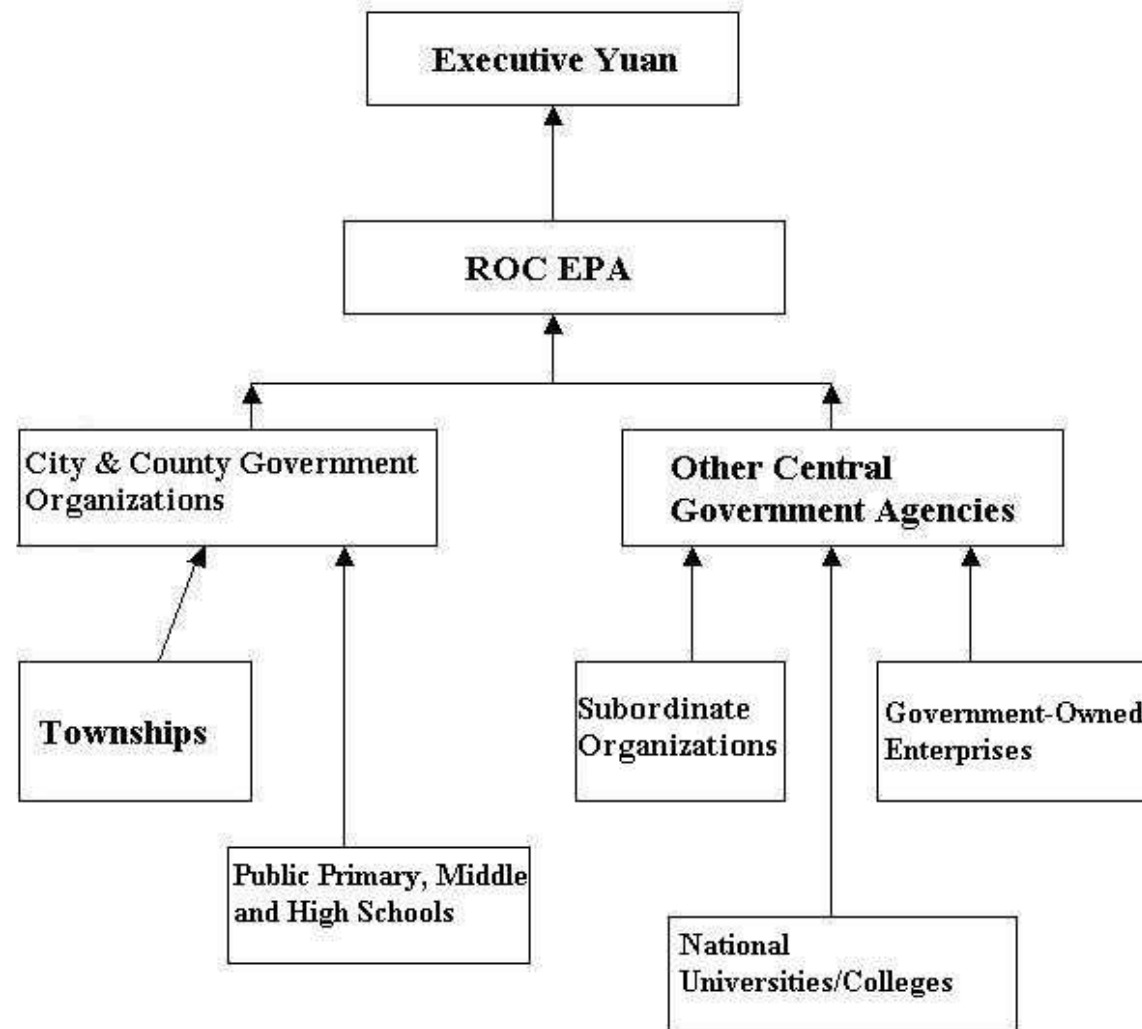
## Action Plan to Implement Government Green Procurement

- **Starting from July 2001, Promotion Period**  
Scope: Central government agencies, Taipei and Kaoshiung City Government  
Target: 30%
- **Starting from January 2002, Implementation Period**  
Scope: Central and first level (city and county) government agencies, government-owned enterprises, public schools, and hospitals, etc.  
Target: 50% at first and 85% in 2008
- **Report back to EPA by February and August each year**



# Action Plan to Implement Government Green Procurement

## Reporting Scheme





# Action Plan to Implement Government Green Procurement

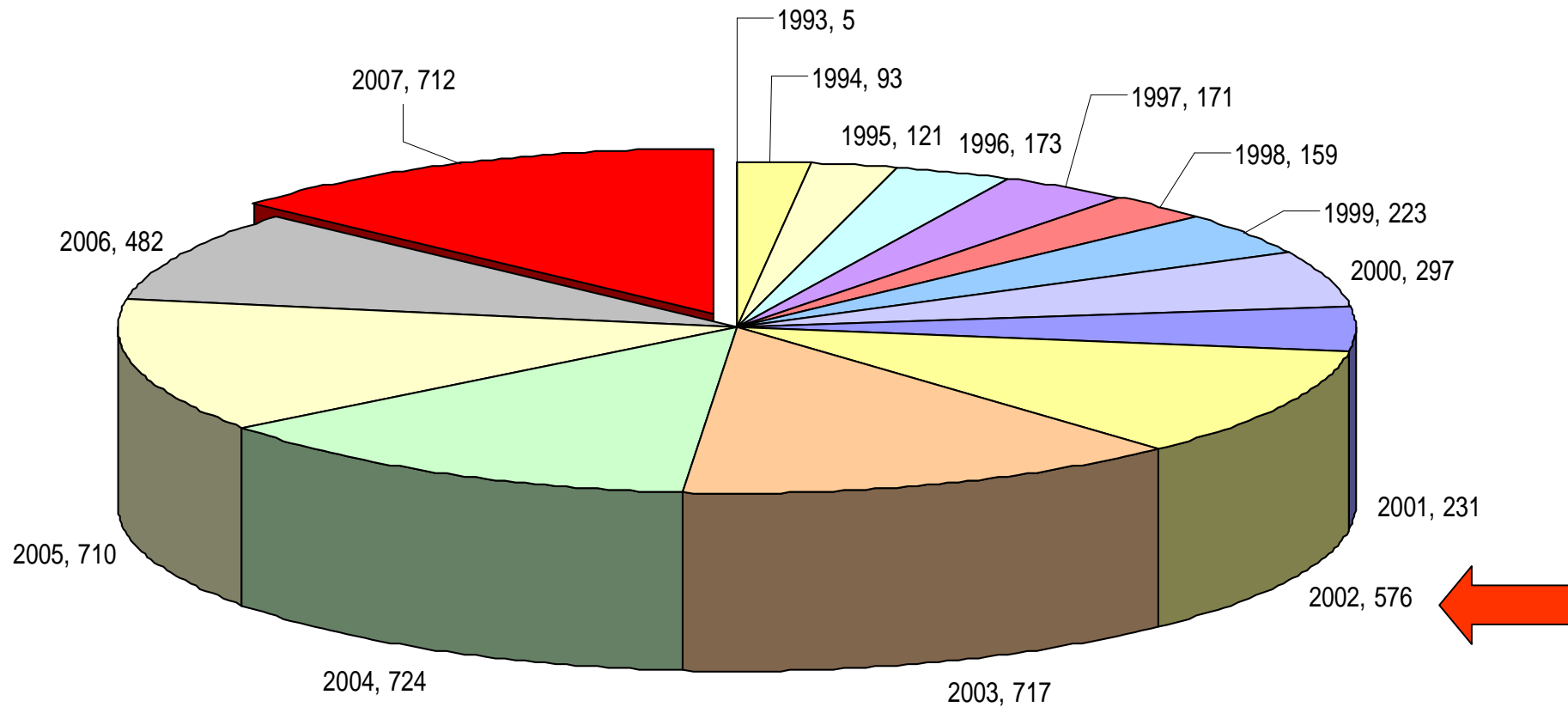
## Other measures

- a. Training courses to government procurement officers
- b. Information dissemination
  - Green Procurement Guideline
  - Telephone Hotline
  - Website
- c. Guideline for the Evaluation of Performance





# Number of Licensed Products



Year	2002	2003	2004	2005	2006
M U\$	2600	5600	5700	6800	6300



# Key Elements for Success

- Commitment and support from **top-level** and purchasing department personnel
- **Identification** of green products based on scientific methodology with open, credible, and fair process
- Enough green **products** to choose from
- Good **information** dissemination
- Task force to **promote**, with objectives, targets and programs







# Difficulties Encountered

- Decentralization of purchasing power
- No life cycle cost consideration (e.g. compact fluorescent lamps)
- “Price preference” difficult to implement
- Used to buy products from known suppliers
- Afraid to be challenged by non-green product suppliers



# Private Sector Green Purchasing Activities



# Green Purchasing Alliance, Taiwan

- Under registration as an independent NGO at the Ministry of Interior
- First General Assembly on May 8, 2007
- Board consists of nine Directors and three Supervisors

財團法人環境與發展基金會



社團法人企業永續發展協會



台灣環境管理協會



環境保護暨綠色生產推廣協會



惠國顧問(股)公司





# Activities

- On-line Store of Green Products
- Biweekly e-Newsletter
- Product Exhibition
- International Conference
- Green Stores
- Green Marketing Award
- Eco Hotel Contest
- Green Purchasing Award
- Training Material and Courses



# On-Line Store of Green Products

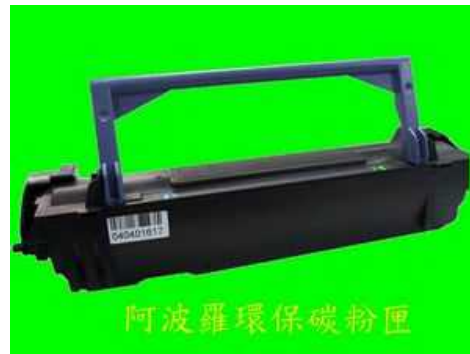
<http://www.buygreentw.net>

Started on May 31, 2007

The screenshot shows the BuyGreenTW website in Microsoft Internet Explorer. The browser's address bar displays <http://www.buygreentw.net/green/>. The website has a green and white color scheme. At the top, there is a navigation bar with links like '首頁', '設立宗旨', '活動快訊', '大家採購', '環保產品資訊', '服務網地', '聯繫中心', '訂單取消', and '供應商進駐'. Below this, a large banner promotes '健康做環保! 愛自己也愛地球!' (Healthy environmental protection! Love yourself and love the earth!) with the text '不可不知的真相! 綠色商品採購新樂活!' (The truth you cannot ignore! New leisure for purchasing green products!). The banner also mentions '純天然配製' (Pure natural formulation) and '無毒可分解' (Non-toxic and biodegradable). To the left of the banner, there is a sidebar with sections: '電子帳單區' (Electronic bill area) with links for '綠色消費快訊' and '電子帳單', '訂閱電子報' (Subscribe to newsletter) with an '訂閱/取消' button, and '商品分類' (Product categories) listing various green products like '清潔產品', 'OA辦公用品', '可分解產品', '日常用品', '省水產品', '省電產品', '家電產品', '資源回收產品', '有機質材料', '建材類', '資訊產品', '工業類', '利用太陽能資源', and '第二類環境保護產品類'. Below the banner, there is a section titled '「環保產品線上採購網」開賣囉! 買一送一大方送!' (The 'Green Products Online Purchasing Network' is open for sale! Buy one, get one free!). This section includes text about the promotion and a list of participating products. At the bottom, there are two more promotional banners: '買一送一 百草洗手乳X2' (Buy one, get one free, 100% natural hand soap X2) and '買一送一 汎奇健康環保洗衣清潔劑X2' (Buy one, get one free, Fenchon Health Environmental Laundry Detergent X2).



# Products in the Store







# Green Living Expo

- July 26~29, 2007 in Taipei World Trade Center
- As part of the Energy, Environment and Water Technology Show





# Green Living Expo

- Green Mark Product Exhibition
- Actions taken by government agencies to promote Recycling, CO<sub>2</sub> Reduction and Green Consumption
- Attracted a total of 80,000 visitors







## International Conference on Green Products

- Jointly held by TEPA, IGPN, GEN and GPA Taiwan on **November 13 and 14, 2007** in Taipei, 100 participants expected,
- Invited **Speakers** from IGPN, GPN Japan, GEN, Swedish EMC and TerraChoice Environmental Marketing USA
- Invited **Delegates**: GPN Malaysia, Thai GPN, GPA India and Ecolabelling Philippines and Indonesia





# Green Stores

- Project sponsored by TEPA (August 1 to Dec. 31, 2007),
- Cooperation with local Environmental Protection Bureaus to solicit green stores,
- Select and provide technical assistance to at least **50 retailers** (supermarkets and wholesale/chain/department stores) to improve their environmental performance,
- Develop a “**Code of Good Practice for Green Stores**”
- Encourage them to enter the contest for “Green Marketing Award”





# Code of Good Practice for Green Stores

- Introduction and Management of Green Products
- Strategy on Green Marketing
- Hygiene and Environmental measures
- Promotion of Green Consumption to Customers
- Holds or participants in Environmental Events (e.g., training to employees)
- Promotion on Waste Recycling and Reuse





# Green Marketing Award--Retailers

- Judged by an independent **Panel** of 5,
- Judging **criteria** include:
  1. Policy (project/action plan, awareness and training)
  2. Measures (purchase, display, sale and promotion of green products; other environmental management measures)
  3. Achievements (types and % of green products purchased and sold; promotional achievements)
- **Award Ceremony** took place on December 12, 2007



# Green Marketing Award Winners

- 17 retailing stores entered into the contest
- 8 were awarded by TEPA
- Mostly chain stores, B&Q, Geant, Carrefour, Tatung, etc.
- Top prize went to Li-Chiao, a SME





# 2007 Green Purchasing Award

- A total of 1532 companies signed voluntary agreements with local EPBs in 2007
- Total spending on green purchasing amounted to 0.6 billion NT, (3 fold increase compared to 2006)
- 61 companies spent more than 1 million NT on green purchasing and were awarded on March 10, 2008







# 2008 Eco Hotel Contest

- Recommended by 270 web users
- 117 hotels as candidates
- Over 43,000 web voters
- 19 best hotels awarded on March 10, 2008



## 淡水漁人碼頭休閒旅館



- 客房內採省電燈管及省水龍頭，提供非一次性餐具杯皿
- 設置資源回收桶
- MINI吧僅提供玻璃杯
- 『IN是要環保』優惠房價住房專案





# Green Mark Hotels

- Criterion on Green Hotels under the Green Mark program will be developed and published in 2008
- GPA Taiwan will provide consultation to hotels through workshops, on-site inspection and evaluation, etc.
- Economic incentives under discussion





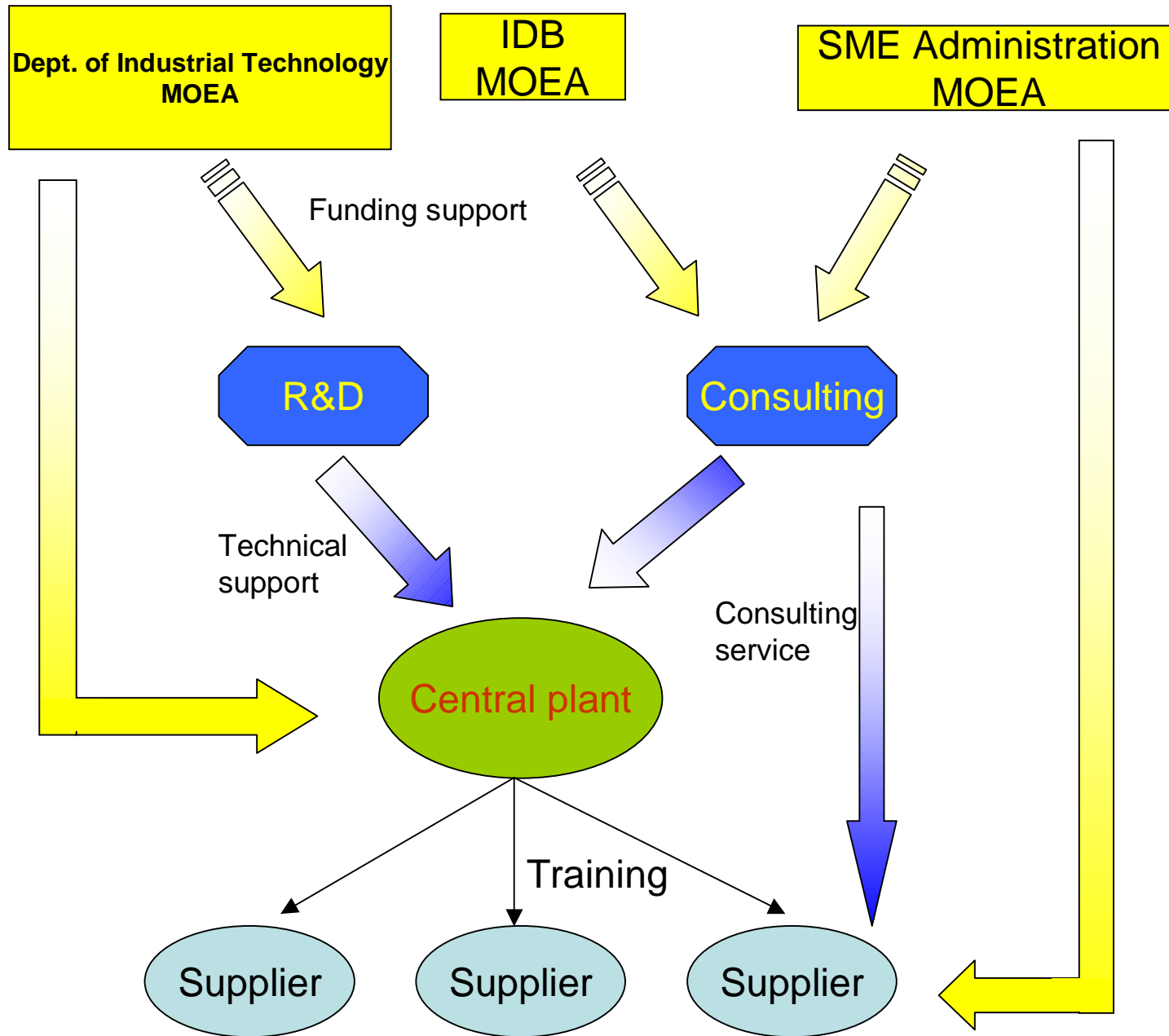
# Training Material and Courses

- Develop **training material** on Green Purchasing
  1. Green Consumption and Green Mark
  2. Government Green Procurement
  3. Private Sector Green Purchasing
  4. Promotional Skills
- Provide 4 training courses to **200 volunteers** on green purchasing





# Greening the Supply Chain





# Major Work Programs

- Development of **tools** to implement various international standards
- Consultation service on ISO 9000 through central/satellite supply chain systems
- Consultation service on ISO 14001 and OHSAS 18000
- Coping with EU Directives (RoHS, WEEE, and EuP, etc.)
- Information hub
- Training courses
- Technical support on DfE, LCA, eco-profile, etc.



# Key Agencies and Organizations

## 1. Governments

TEPA, Ministry of Interior, Ministry of Economic Affairs,

## 2. Business Associations

Taiwan Electrical and Electronic Manufacturers Association (TEEMA), Taipei Computer Association (TCA), Chemical Industry Association, etc.

## 3. Non-governmental Organizations (NGOs)

EDF, GPA Taiwan, TAC, BCSD Taiwan, ITRI, Institute for Environment and Resource (IER), Foundation for Taiwan Industry Service (FTIS), Taiwan Green Productivity Foundation (TGPF), Taiwan Environmental Management Association (TEMA), etc.



# Future Outlook

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- Government Green Procurement has demonstrated **effectiveness**, but still plenty of room for improvement
- “**Greening the supply chain**” is a must for business under international pressure
- **Private sector** green procurement is the next step
- Green procurement and ecolabelling should be promoted together

<http://www.edf.org.tw>

<http://greenmark.epa.gov.tw>

<http://www.buygreentw.net>

