The Green Purchasing Law, and Promoting Green Procurement

In Japan

Presentation by Shohei Yamada

Ministry of the Environment, Japan
1. Law Concerning the Promotion of Eco-Friendly Goods and Services by the State and Other Entities

(Law on Promoting Green Purchasing)
(1) Mechanism of the Green Purchasing Law

Promotion of Green Purchasing by Ministries and Agencies

Article 6
Establishment of the **Basic Policy** for the Procurement of Eco-Friendly Goods etc.
- Direction for Promoting Green Procurement
- Designated Procurement Items and Evaluation Criteria

Ministries and Agencies

Article 7
Each Organization creates and publicizes a Procurement Policy
Procurement of Goods and Services based on Procurement Policies
Report on the results and achievements of Green Procurement

Basic Policy

- **Basic Policy** is revised every year in the following procedures.
  Public offering proposal, Investigative commission by academic expert, Public comment, Cabinet decision
- **Designated Procurement Items** are defined by environmental specs.
  (It isn’t appoint individual products)

Ministries and agencies should not increase or adjust Their total procurement amount for the reason of implementing this law.

Article 10  
Local Governments

- Create or update existing versions of Green Procurement Policies every fiscal year
- Procure Goods and Services based on the Policies

Article 5  
Responsibility for Businesses / Citizens

- Consciously purchase eco-friendly goods as much as possible

2005 Data - taken from a questionnaire on Green Purchasing

Significance of the green purchase

Status of procurement policies
## Mechanism of the Green Purchasing Law (3)

### Provide Appropriate Information on Environmentally Friendly Goods and Services

<table>
<thead>
<tr>
<th>Manufacturers</th>
<th>Environmental Labeling Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide environmental information on their products</td>
<td>Promote eco-labeling programs highlighting their scientific analysis, while complying with international eco-labeling standards</td>
</tr>
</tbody>
</table>

### The Government

- Manage and analyze information provided by manufacturers and environmental labeling organizations
- Provide guidelines on appropriate information methods on eco-friendly goods and services
2. Overview of the Basic Policy (1)

**Basic Philosophy for Procurement of Eco-Friendly Items**

- Environmental attributes should be considered in addition to price and quality considerations.

- Consideration from environmentally diverse viewpoints:
  - Products that contribute to the formation of a socio-economic system through an environmentally sound material cycle
  - Products that contribute to reducing greenhouse gases

- Consider reducing environmental impacts throughout the product’s lifecycle, from manufacture to disposal.

- Commit to long-term use, correct utilization, and appropriate disposal of procured goods and services
  - (separation into appropriate waste streams)
Overview of the Basic Policy (2)

Designated Procurement Items and Evaluation Criteria

- As a general rule, clear numeric data shall be used for selecting designated procurement items.

- If clear numeric criteria cannot be established, attributes that contribute to reducing environmental impact shall be defined as “factors for consideration.”

- As needed, these standards can be revised in response to product improvement, market development, and further development of our scientific knowledge of the products.

- When items included in the designated procurement items list become readily available in the marketplace, the item shall be omitted from the listing. (i.e. televisions, calculators)
### (3) The Designated Procurement Items List

<table>
<thead>
<tr>
<th>Categories</th>
<th>Designated Procurement Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper (8 Items)</td>
<td>Copier Paper, Printer Paper, Toilet Paper, and 5 other items</td>
</tr>
<tr>
<td>Stationery (79 Items)</td>
<td>Ballpoint Pens, Scissors, Glue, and 76 other items</td>
</tr>
<tr>
<td>Office Furniture (10 Items)</td>
<td>Chairs, Desks, Shelves, and 7 other items</td>
</tr>
<tr>
<td>Office Automation Machines</td>
<td>Copiers, Printers, Fax Machines, and 10 other items</td>
</tr>
<tr>
<td>Home Electronic Appliances</td>
<td>Electric Refrigerators, and 3 other items</td>
</tr>
<tr>
<td>Air Conditioners, etc. (3 Items)</td>
<td>Air Conditioners, Gas Heat Pump Air Conditioners, Space Heaters</td>
</tr>
<tr>
<td>Water Heaters, etc. (4 Items)</td>
<td>Electric Hot Water Supply System, Gas Cooking Appliances, and 2 other items</td>
</tr>
<tr>
<td>Lighting (3 Items)</td>
<td>Fluorescent Lighting Equipment, Fluorescent Light Bulbs, Various Bulb-Shaped Lighting</td>
</tr>
<tr>
<td>Vehicles, etc. (5 Items)</td>
<td>Vehicles, ETC Adaptable Car Accessories, VICS Adaptable Car Accessories, Tire, Engine Oil</td>
</tr>
</tbody>
</table>
(3) The Designated Procurement Items List

<table>
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<th>Categories</th>
<th>Designated Procurement Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Extinguishers (1 Item)</td>
<td>Fire Extinguishers</td>
</tr>
<tr>
<td>Uniforms, Work Clothes (2 Items)</td>
<td>Uniforms, Work Clothes</td>
</tr>
<tr>
<td>Interior Fixtures/ Bedding (9 Items)</td>
<td>Curtains, Carpets, Blankets, Comforters, and 6 other items</td>
</tr>
<tr>
<td>Work Gloves (1 Item)</td>
<td>Work Gloves</td>
</tr>
<tr>
<td>Other Fiber Products (3 Items)</td>
<td>Tents, Tarps, Safety Nets</td>
</tr>
<tr>
<td>Facilities (4 Items)</td>
<td>Solar Power Generation Systems, Garbage Disposals, and 2 other items</td>
</tr>
<tr>
<td>Public-Works Projects (58 Items)</td>
<td>Portland Blast Furnace Cement, Pavement Material, Flushable Toilets, Green of Rooftops, and 54 other items</td>
</tr>
<tr>
<td>Services (7 Items)</td>
<td>Printing, Cafeterias, Automobile Repair, and 4 other items</td>
</tr>
<tr>
<td>Total (17 Categories)</td>
<td>214 Items</td>
</tr>
</tbody>
</table>
2. Achievement of Green Purchasing
How far did the Government’s Green Purchasing improve?

Achievements of Goods & Service

FY2004

Goods & Service 146 Items Ratio over 95% 132 Items About 90% Items are ratio over 95%

We check low ratio items to know the reason.

Concerning automobiles, since the end of FY 2004, all official vehicles have been replaced by low emission vehicles.

We think that Ministries & Agencies have good achievements for promotion.
(2) Quantity of Products with Reduced Environmental Impacts Disseminated in the Market

Copier Paper

Increased Volume of Environmentally Preferable Copier paper purchased
This graph shows market share of Designated procurement items of 2000 and 2004.

This area is that market share disseminate from 2000. All 14 items that we check disseminate share from 2000.
(3) The Decline of the price involving the dissemination of Designated Procurement Items

Procurement Policy
Issued by Ministries

i.e. □ □ Ministry : < Copier Paper >
100% recycled pulp content: Procurement goal 100%

Regular Items: Green Purchasing Items
3062 yen < 3545 yen (2000)
3059 yen > 2930 yen (2005)

Green Purchasing Law Established in September 2000

Government Procurement (Ministries and Agencies)
79.2% (2000) □ 98.5% (2003)
(4) Reduce Procurement Quantity

Procurement Quantity of Copier Paper

FY 2003: 73,343t
FY 2004: 62,311t
Reduction of Procurement Quantity is about 15%
(5) Results from the Government’s effort to reduce CO2 emissions under the Green Purchasing Law (trial calculation)

Comparison of CO2 Emission between 2000 (before Green Purchasing Law) and 2004

<table>
<thead>
<tr>
<th>Category/Item</th>
<th>Previous CO2 Emissions Source</th>
<th>Amount of CO2 Emission Prevented (t-CO2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Amount Prevented (Yearly)</td>
</tr>
<tr>
<td>Plastic Office Supplies</td>
<td>Disposal / combustion</td>
<td>761</td>
</tr>
<tr>
<td>The Can for Blowing Dust Off</td>
<td>Change HFC143a for HFC152a</td>
<td>8,587</td>
</tr>
<tr>
<td>Office Automation Machines</td>
<td>Electricity Usage</td>
<td>265</td>
</tr>
<tr>
<td>Home Electronic Appliances</td>
<td>Electricity Usage</td>
<td>339</td>
</tr>
<tr>
<td>Air Conditioners</td>
<td>Electricity Usage</td>
<td>250</td>
</tr>
<tr>
<td>High-frequency Inverter Lighting Appliance</td>
<td>Electricity Usage</td>
<td>846</td>
</tr>
<tr>
<td>Cars</td>
<td>Gasoline combustion</td>
<td>2,483</td>
</tr>
<tr>
<td>Solar Power Generation System</td>
<td>Installation process</td>
<td>213</td>
</tr>
<tr>
<td>Portland Blast Furnace Cement</td>
<td>Industrial process</td>
<td>1,184</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>---</td>
</tr>
</tbody>
</table>
3. Factor of Japanese Success
Why did Ministries & Agencies become a high enforcement percentage?

Procurement Policy of MoE (FY2006)

Report on the results of MoE (FY2005)
Cooperate of Green purchasing actions in Japan

Law on Promoting Green Purchasing
Main target: Public Sector
Start: 2000~
17 Categories, 214 Items
(2006.02)

Type I eco-labeling (ISO14024)
Start: 1989~
First runner standard
42 Categories
About 5000 Products (2005.01)

These Two Activities started before Green Purchasing Law and were well known. These Two Activities spread Green products to private sector rapidly and contribute to promote whole market to spread Green products.

GPN has taken a leading role in promoting green purchasing in Japan.
GPP is only a trigger

We think that Eco-friendly products and a general products have to become an about the same price to change markets. Scale is small only by government consumption, and some private sector is necessary.

Many of effects are that Ministries & Agencies changed Eco-friendly paper

Many of effects are that Local government & Companies changed Eco-friendly paper
Thank you

Shohei Yamada
Ministry of the Environment, Japan
The Ministry of the Environment’s Website

Web pages and links on the Green Purchasing Law


http://www.gpndb.jp/gpn/jirei/
Providing Environmental Information on Goods and Services for Consumers

Basic Information on Products: Provide clear environmental information on Goods and Services throughout its lifecycle - from manufacture to disposal.

Assessment of the Product’s Lifecycle:

Consumers should:
- Buy environmentally preferable goods
- Shift their lifestyle to one that reduces their environmental impacts

Businesses should:
- Advertise their eco-friendly products
- Provide incentives to develop new eco-friendly products

Creating a Society with Sustainable Development