EcoProcura® China 2014
International Symposium on Municipal Green Procurement
October 2014, Beijing, China

Driving Sustainability through Green Consumption

Highlights:
- Green public procurement practices in China
- GPP polices & financial tools
- Costs & benefits of GPP
- GPP monitoring, evaluation & verification

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A learning place for international multi-stakeholders

Attended by around 60 participants, including representatives from the Chinese national government, international experts and local government officials from Tianjin City, Yixing City and Jiangsu Province, the symposium saw a fruitful exchange of experiences and practices in green public procurement (GPP) between national and local governments from China, Japan, Korea, Malaysia, the Netherlands and Switzerland. Some of the featured topics included:

- GPP policies and procedures, legal and institutional framework and monitoring
- Cost and benefits of green procurement: impacts quantification, hotspot analysis, life-cycle analysis, one-planet-living thinking and value-added approaches, fiscal mechanisms to promote green products
- Evaluation and verification of green products: environmental labelling certification in China, eco-label, monitoring system on GPP in Korea, Eco Mark in Japan
- Green procurement in practice at the local level: case examples of Rotterdam as well as Tianjin, Lanzhou and Qinhuangdao (Switch-Asia project)

A driver of new synergy

The symposium has built a valuable pool of knowledge by gathering information about GPP practices, implementation strategies, policies and cases studies from countries and cities from around the world. It also provided updates on the latest research and city-based projects related to GPP implementation.

Xiaoming Wu, Investigator, Jiangsu Province Department of Finance Government Procurement Management Division

“The Chinese government recognizes the important role of GPP in saving energy, promoting environmental protection, and creating a conservation-oriented society. Jiangsu province has been implementing GPP based on the directions from the central government.”

Léon Dijk, Advisor Sustainable Development and Procurement, Rotterdam, Netherlands

“The symposium has been very successful in engaging the Chinese government in sustainable procurement. Some of the most important Chinese government bodies and organisations were represented there, and they have shown great enthusiasm in the benefits of GPP for municipalities. I believe that practical case studies and examples by other cities would be very useful for deepening city exchanges and driving innovation at the local level.”
A mobilizing force to accelerate actions

ICLEI has more than 18 years of experience in supporting cities to implement GPP worldwide. This includes raising awareness, developing new approaches, encouraging policy developments and implementation at the European and international level.

While ICLEI learned about the various challenges faced by cities in implementing GPP at the symposium, the event also allowed ICLEI to share its knowledge and encourage dialogues and exchanges between cities and multi-stakeholders. ICLEI offers:

• **Procura+ Campaign**: Launched in 2004 to support public authorities to include environmental, social and economic considerations into public procurement policies and tendering procedures.

• **EcoProcura conference series**: Started with the first conference in Hannover, Germany, it is the only international forum to promote dialogue and exchange between policy-makers and purchasers from all levels of government.

• **Global Sustainable Procurement Center**: Based in Freiburg, Germany, the center holds key knowledge on GPP.

A networking platform

Besides a day of informative sessions with 20 speakers, the symposium also provided numerous dialogues and networking opportunities for participants to exchange information, and to explore future opportunities for cooperation and partnership.

“ICLEI has built a network of over 2,500 people through ICLEI membership, the Procura+ Campaign and the Procurement Forum. By fortifying links between public authorities who are committed to sustainability, we hope that they can learn from one another by exchanging experiences.”

Mark Hidson, Global Director, ICLEI Sustainable Procurement Center

Green Public Procurement in China at a glance

**Scope:** In 2012, the Chinese government public expenditure reached 1,552 billion EUR, which accounted for 24.2% of its GDP. Government procurement represents 11.1% of total public expenditure, accounting for 2.69% of its GDP.

![Figure 1: China government procurement and its proportion with GDP during 2005-2012.](image)

**Levels of government procurement budgeting and expense:** There are four levels in government procurement budgeting and expense with different procurement share in China: county (43%), municipal (32%), Provincial (19%), central (6%).

**Procurement methods:** There are various procurement methods with different share: open tendering (84%), competitive negotiation (5%), inquiry price (5%), single source (3%), invited tendering (3%).

**Legislation:** China’s Government Procurement Law was promulgated and entered into effect on 1 January 2003. Article 9 of the law stated that environmental protection is one of the goals of implementing government procurement. There is no separate legislation on GPP.

**Public Procurement lists:** Two product lists have been developed to guide and support local procurement decision for green procurement, namely: the Public Procurement List of Environmental Label Products (jointly issued by the Ministry of Finance and Ministry of Environmental Protection), and the Public Procurement List of Energy Saving Products (jointly issued by the Ministry of Finance and the National Development and Reform Commission).

Ying Wang, Director, Chinese Government Procurement Management Office, Ministry of Finance

“Compared with developed countries in the West, China had started green public procurement late, but our progress has been remarkable. The Chinese government is keen to learn from overseas experience to enrich the content of our GPP policies, to optimize the mechanism, tools and legal framework in implementing and monitoring GPP.”

Junqing Xi, Deputy Director, Environmental Development Center, Ministry of Environmental Protection

“I hope that the experiences of cities worldwide could inspire Chinese cities to make an impact by bringing the public to get involved in environmental protection through everyday consumption and becoming more conscious of energy efficiency.”

Wenping Yao, Deputy Director General, Technologies Department, Ministry of Commerce

“Green public procurement is not only important for changing consumption behavior and raising environmental awareness in China, but also providing incentive for businesses to improve products’ quality. If China is to go global, it is especially crucial for us to enhance our products quality and make sure they meet international standards.”

Zhang Xiaodan, General Manager, China Environmental United Certification Center Co. Ltd.

“We have learned much from the symposium and has extended relationships with international experts and organizations. The meeting has been successful and I hope we could cooperate again in the near future.”

Weimiao Su, Section Chief, Yixing Public Procurement Office

“We are very grateful for ICLEI’s invitation to this symposium. We have learned a lot about the practices and experiences in implementing GPP in other countries. The knowledge gained from the symposium has provided us valuable reference to optimize our future strategy in implementing GPP.”

Konrad Otto-Zimmermann, Founding Director, ICLEI East Asia Secretariat; Chairman, ICLEI Urban Agendas

“The rationale for green public procurement is simple: Use the money you spend anyway and purchase environmentally-friendly goods and services. Thus the procurement office becomes an ally of the environment department. Without green purchasing, the government would create environmental policies, which other department could undermine by buying environmentally harmful goods - that would indeed be perverse spending of public money.”
**Jiangsu Province**

**Location:** Jiangsu borders the Yellow Sea. The Yangtze River, the longest river of China, cuts through the province in the south and reaches the East China Sea. With plains covering 68% of its total area, the province is known as “the hometown of water” (shuixiang).

**Population:** 79.39 million as of 2013

**GPP in practice:**
- Following the central government’s directions and initiatives, Jiangsu Province has been actively implementing GPP since 1998.
- Main strategies: Compulsory green purchasing, preferential green procurement, advocacy
- In 2013, Jiangsu’s public procurement amounted to an annual total of 167.69 billion RMB, about 10% of the country’s total expenditure on public procurement.

**Tianjin City**

**Location:** Tianjin is located along the west coast of the Bohai Gulf, bordered by Beijing 120 km to the northwest.

**Population:** 14.13 million (Tianjin municipality) as of 2012

**GPP in practice:**
- The expenditure of Tianjin municipality in public procurement on energy-saving products amounted to 3.21 billion RMB. Its main strategies for GPP include:
  - Active implementation of GPP policies
  - Research on the management system and implementation mechanism of GPP
  - Promotion of green supply chain products by incorporating the concept of life-cycle costs

**Yixing City**

**Location:** Yixing is at the west side of Lake Tai and is almost at the center of the triangle consisting of Shanghai, Nanjing and Hangzhou.

**Population:** 1.08 million as of 2013

**GPP in practice:**
- Drawing from the best practices of the national government and other Chinese cities, Yixing has been implementing GPP mainly through:
  - Public tendering of green products
  - Compulsory green purchasing on selected items listed on the national energy-saving product list
  - Preferential purchasing of energy-saving and environmental-friendly products
Zhai Qi, Deputy Secretary General, China Business Council for Sustainable Development

“By driving green consumption, green public procurement plays a crucial role in environmental protection. As seen from the EcoProcure symposium, ICLEI has received wide support and recognition from key Chinese government agencies. The CBCSD hopes that in the future, ICLEI can organize more urban sustainability conferences and programs in China to promote international exchange on GPP implementation between Chinese and overseas cities.”

Eveline Venanzoni, Head of the Ecological Procurement Service of the Swiss Federal Office for the Environment

“For me it was a very successful symposium. I have learned from the Chinese case that eco-labelling plays an important role in the context of GPP in China, and the Chinese Government strives to be compliant with international practices. I am especially impressed by the commitment of Ms. Ying Wang from the Ministry of Finance. I think it is exactly this leadership that is needed to encourage megacities to implement GPP.”

Host:

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