Korea Environmental Industry & Technology Institute

ICLEI Local Governments for Sustainability 지속가능성을 위한 세계지방정부 이클레이 한국사무소

Leading City Network for Green Public Procurement

Activity Report 2019 Gyeonggi-do Province

I. Leading City Network on Green Public Procurement

1 Project introduction

The Korea Environmental Industry & Technology Institute (Contracting Entity) and the ICLEI Korea Office (Executing Agency) initiated the "Leading City Network on Green Public Procurement" project in July 2019 – currently being executed hand in hand with Gyeonggi-do Province (Goyang City, Bucheon City), Daejeon Metropolitan City and Busan Metropolitan City – to help local governments acknowledge the necessity and significance of Green Public Procurement (GPP) in addressing climate change and achieving regional sustainable development, and to lay the foundation for voluntary participation.

2 Major Activities

- **(Consulting)** Analyze the participating local governments' green public procurement performance and prepare improvement measures
- **(Form a network)** Construct a Korean league of leading cities on green public procurement
- **(Strengthen capability)** Support activities to reinforce cities' abilities to improve green public procurement
- **(Publicize performance)** Publicize excellent performance by local governments in green public procurement and develop best practices

3 Key Targets & Achievement Methods

Key Targets

1. Increase the participating local governments' share of green public procurement by 10%p or more by 2020
2. Form a network of local governments (Gyeonggi-do Province, Daejeon Metropolitan City, Busan Metropolitan City), professional agencies and civil societies
3. Produce best practice materials (Korean/English activity reports, case reports, card news). Publicize performance via domestic and international networks

Achievement Methods

[WP1] Consultation to enhance the execution of GPP and training to reinforce capabilities	[WP2] Leading City Network on Green Public Procurement	[WP3] Performance management and PR activities
Develop performance improvement targets and execution measures to achieve the objectives via consulting / expert lectures / participatory workshops	Offer a foundation for continuous exchanges and cooperation by creating a domestic network of GPP with three metropolitan cities, professional agencies and civil societies	Create and document best practices to publicize performance throughout the country and abroad

II. Gyeonggi-do Province's Green Public Procurement

1 General Status

- As of Nov. 2019, the total population of Gyeonggi Province numbers 13.65 million (registered residents: 13.23 million, registered foreigners: 420,000), accounts for 25.7% of the total population of South Korea, 53.14 million, and is on a constant uptrend.
- Gyeonggi-do Province's economy is the country's second largest, following Seoul Metropolitan City. The province stands at the center of the country, geographically situated in the mid-west of the Korean Peninsula.
- The 2019 budget was 24.3731 trillion won(20 billion US dollars) , with the 2020 budget being 27.383 trillion won(22.48 billion US dollars).

2 Green Public Procurement Policy

- Gyeonggi-do Province is striving to improve green public procurement in the area through its plan for environmental preservation (2018-2027), an ordinance on green product purchase facilitation, a comprehensive evaluation plan for city/county's environmental preservation tasks (2019) and the development and declaration of Gyeonggi-do Province's plans to execute green public procurement.
  ※ Gyeonggi-do Province was the first in the country to fully enact the ordinance, implementing it in all 31 cities and counties in Oct. 2008.
- The city provided support for training sessions on green products & green purchase and promotion & exhibition activities for green products by running the Gyeonggi-do Province Environment-Friendly Life Support Ansan Center
  ※ Provides consulting for companies' green product certification, holds green purchase talk concert/forum, etc.
- Gyeonggi-do Province invested 120 million won (98,505 US dollars) in 2019 and initiated a pilot project for a green product purchase marking system, selecting 80 agencies including daycare centers and kindergartens, etc.
  ※ Agencies that purchased more than a certain quantity of green products and services among the total purchases made will be awarded "Purchasing Recognition Mark," acknowledged by the governor of Gyeonggi-do Province.
- Moreover, Gyeonggi-do Province held annual training sessions on facilitating green product purchases, awarded employees who had outstanding performance and applied green public procurement to the city/county evaluation index, etc., thereby contributing to the enhancement of green public procurement.
- The green public procurement performance of Gyeonggi-do Province has been on the rise for the past four years, showing excellent performance on the provincial level.

[Table 1] Gyeonggi-do Province's Green Public Procurement Status in 2015-2019

(Units: 1 million USD, %)

Category	Organization	Year	Total Expenses	Green Purchase Expenses	Share
1	Gyeonggi-do Province (Total)	2015	420.81	145.26	34.52
2	Gyeonggi-do Province (Total)	2016	401.79	181.94	45.28
3	Gyeonggi-do Province (Total)	2017	500.39	243.77	48.7
4	Gyeonggi-do Province (Total)	2018	537.62	271.39	50.5
5	Gyeonggi-do Province (Total)	2019	597.84	290.92	48.7

※ Source: Ministry of Environment - Report on green product purchases by public institutions (2015-2019)

III. Project Status

1 Background and Purpose of Project Participation

- Gyeonggi-do Province aims to build up its reputation as an eco-friendly metropolitan government and contribute substantially to the increase and standardization of the local governments in Gyeonggi-do Province by facilitating sustainable consumption and production through the project.
- Additionally, the province, as a strong consumer, plans to help reduce carbon and pollutant emissions and ultimately address environmental issues that the region faces such as climate change, fine dust and garbage crisis through green product purchases activities.

2 2019 Activities

• Set Key Targets and Selected Core Items

– Target : 55.5% in 2019, 60.5% in 2020

※ 2020 target has been set to increase the green product purchase share by 10%p compared to green public procurement performance in 2018

– Core Items : Asphalt concrete, drainpipe

※ Items that showed high expenditures but low green public procurement execution rates in 2018 were selected as core items

[Table 2] Gyeonggi-do Province's Green Public Procurement Targets

(Unit: %)

Category	2018	2019		2020 (Target)
		Target	Result	
Total Purchase Rate	50.5	55.5	48.7	57
Item 1: Asphalt Concrete	39.6	32	37.1	50
Item 2: Drainpipe	26.7	47	12.3	40

• Selected Core Tasks

– **(Meritorious commendation)** Award commendations to two cities or counties based on their purchase increase rates and purchase share of green products (2019)

– **(Training)** Push for training sessions for those in charge of construction and engineering (2020)

– **(Intensive management)** Improve the purchase performance of public institutions in Gyeonggi-do Province (Intensive management of public institutions that have poor management evaluation index) (from 2019 on)

• Consulting Provided to Improve Execution

1st Consultation	2nd Consultation	3rd Consultation	4th Consultation
Jul 17, 2019 (Wed)	Sep 10, 2019 (Tues)	Nov 20, 2019 (Wed)	Dec 16, 2019 (Mon)
Goyang & Bucheon	Bucheon	Goyang & Bucheon	Goyang
Shared project direction and plans (launched briefing session)	Set GPP targets, selected core items, and identified system improvement points	Wrapped up 2019 project achievements and discussed ways to increase supply in 2020	Discussed major outcomes of 2019 and joint activity plans for 2020 (performance briefing session)

Held Local Government Meetings

• **Date** Nov 29, 2019 (Fri) 14:00–16:00

• **Venue** Deoham Park Lecture room #2 (425)

• **Participating City** Icheon City, Uiwang City

• **Content** Shared the analysis and outcome of execution by item, analyzed factors that hindered or facilitated execution, derived short- and long-term goals

• **Conclusion and Implications**

1) Ranks Gyeonggi-do Province's local governments by monthly performance and discloses the results to encourage them to make improvements

2) Must provide training opportunities to raise the green public procurement awareness of local governments

Held Joint Workshop to Vitalize the Local Governments' Green Public Procurement

- **Date** Oct 25, 2019 (Fri) 14:00-16:00
- **Venue** #300 COEX, Seoul
- **Participants** Approx. 100 participants including public officials from various regions including the cities participating in the project (Daejeon Metropolitan City, Busan Metropolitan City and Bucheon City)
- **Content** Shared green public procurement status in the Republic of Korea, introduced the current activities and outcomes of the Leading City Network on Green Public Procurement, shared the best practices regarding local governments' green public procurement (Busan and Suwon), Talk4Action (Daejeon, Busan, and Bucheon)
- **Conclusion and Implications**
  1) Provides an ongoing forum for cooperation so that outstanding policies and cases for benchmarking from other regions could be shared
  2) Facilitate training to improve public officials' perception to help them come up with measures to increase voluntary green purchases

Produced and Distributed GPP Guidelines

- **Recycled Asphalt Concrete**
  - Definition of recycled asphalt concrete, ways to purchase, environmental and economic benefits
  - Manufacturers within Gyeonggi-do Province jurisdiction (42)
  - Information on construction materials for Gyeonggi-do Province on the Korea ON-line E-Procurement System (KONEPS)
- **Drainpipe**
  - Definition of the recycled drainpipe, criteria for certification, etc.
  - Manufacturers within Gyeonggi-do Province jurisdiction (7)
  - Information on construction materials for Gyeonggi-do Province on the Korea ON-line E-Procurement System (KONEPS)

3 Core Tasks for 2020

- **(Provide information)** Offer accurate information such as green public procurement performance (monthly) and guidelines
- **(Training)** Provide trainings sessions for those in charge of construction and engineering
- **(Intensive management)** Improve the purchase performance of public institutions in Gyeonggi-do Province (Intensive management of public institutions that have poor management evaluation indexes)
- **(Consumer-producer communication channel)** Improve the perception of green products and develop ways to encourage their supply by establishing a communication channel among consumers and producers
- **(Reinforce inter-city network)** Share best practices on green public procurement and discuss measures to facilitate production through the participation of high-level officials

IV. Gyeonggi-do Province's Commitment to Green Public Procurement

> Gyeonggi-do Province aims to become a leading metropolitan government in the field of green public procurement by constructing an eco-friendly virtuous cycle of producing and consuming excellent green products and services through a paradigm shift to green products and consumption vitalization in the public sector. Ultimately, the city will secure healthy lives for its residents through environmental preservation!

V. Participation of Gyeonggi Province's Local Governments

Gyeonggi-do Province is the only province cooperating with local government under the project, thanks to Goyang City's and Bucheon City's enthusiasm to take part in green public procurement.

1 Goyang City

- **Background and Purpose of Project Participation**
  - To contribute to facilitating the purchase of green products and services as a part of the city's core tasks to build an eco-polis where citizens are happy
- **Set Key Targets & Selected Core Items**
  - Target : 41.6% in 2019, 46.6% in 2020
    - ※ 2020 target has been set to increase the green product purchase share by 10%p compared to green public procurement performance in 2018.
  - Core Items : Asphalt concrete, drainpipe and lighting fixtures
    - ※ Items that showed high expenditures but low green public procurement execution rates in 2018 were selected as core items.
- **Major Green Public Procurement Policy**
  - **(Evaluation)** Include green public procurement in department evaluation items for Goyang City's performance management
  - **(Training)** Conduct training sessions for those in charge of green public procurement
  - **(Specification of Work)** State the obligation to use green products and services when procuring government-furnished materials

> Goyang City would like to become a leading city in the field of Green Public Procurement, realizing a sustainable, eco-friendly city by raising the awareness of green products and facilitating the purchase of such products through its participation in the Leading City Network on Green Public Procurement in 2020!

2 Bucheon City

- **Background and Purpose of Project Participation**
  - Enhance the city's status as an eco-friendly city that consumes environmentally friendly products and services by improving the green product purchase rate
- **Set Key Targets & Selected Core Items**
  - **Target**: 55.3% in 2019, 60.3% in 2020
    ※ 2020 target has been set to increase the green product purchase share by 10%p compared to the green public procurement performance in 2018.
  - **Core items**: Asphalt concrete, envelope and paint
    ※ Items that showed high expenditures but low green public procurement execution rates in 2018 were selected as core items.
- **Major Green Public Procurement Policy**
  - **(Training)** Conduct training sessions for those in charge of green public procurement
  - **(Screening system)** Implement a system of consulting the staff members in charge of green public procurement in the environment department when inquiring to the accounting department about making purchases
  - **(Intensive purchase)** Encourage departments to proactively purchase green products and services for items that had poor performance compared to the previous year
  - **(Disclose information)** Provide information on green product purchases at the city hall

"Bucheon City aims to achieve its GPP target of 60% by reinforcing the training of those in charge of public procurement, introducing procurement screening systems, etc., to become a leading city in green public procurement, aggressively consuming environmentally friendly products and services, through its participation in the Leading City Network on Green Public Procurement in 2020!"