NINETEENTH CONGRESS OF THE **REPUBLIC OF THE PHILIPPINES** First Regular Session



SENATE S. No. 1857

)

)

)

FFB -9 P2:01 23

RECEIVED B

### Introduced by Senator MARK A. VILLAR

## **AN ACT** ESTABLISHING A GREEN PUBLIC PROCUREMENT PROGRAM FOR ALL **BRANCHES OF GOVERNMENT**

#### **EXPLANATORY NOTE**

Under Section 16 Article II of the Constitution, the State is mandated to protect and advance the right of the Filipinos to a balance and healthful ecology in accord with the rhythm and harmony of nature. For this reason, the Philippines promote public governance with the use of services and related products which respond to basic needs and bring better quality of life while minimizing the use of natural resources and toxic materials.

Green procurement is no longer a new concept in the country. Since 2004, the Philippines had already initiated Green Procurement Program to support local suppliers with green products. At present, the Philippines adopted the Sustainable Development Goals agreed by the United Nations until 2030, and the UN 10-years Framework Program on sustainable consumption and production.

This bill seeks to institutionalize the Green Procurement Program (GPP). This is to support the ultimate goal to establish this program for all department, bureaus, offices and agencies of the government including local government units. Establishing the GPP will create a growing market for green supplies and equipment in the Philippines thereby promoting sustainable development. This initiative, if enacted into law, will have positive impact on the economy, society and environment.

As the Government will be the largest consumer of green products, it will change the market towards green with positive effects to the jobs and incomes of the Filipinos particularly those that are engaged in Micro, Small and Medium Sized Enterprises (MSMEs).

In view of the foregoing, immediate approval of this bill is earnestly sought.

MARK A. VILLAR



NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session* 

23 FEB -9 P2:01

# SENATE S. No. 1857

)

)

)

RECEIVED BY:

## Introduced by Senator MARK A. VILLAR

## AN ACT ESTABLISHING A GREEN PUBLIC PROCUREMENT PROGRAM FOR ALL BRANCHES OF GOVERNMENT

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Short title. – This Act shall be known as the "Green Public
 Procurement Act".

3 Sec 2. *Declaration of Policy.* – The State recognizes that sustainable 4 development is a necessary policy for nation-building, and that it plays a lead role in 5 promoting sustainable practices by incorporating environmental, economic and social 6 factors in government decisions and processes. Further, the State, as a large 7 consumer bloc in itself, recognizes that every product or service it purchases or 8 avails of should be evaluated for its sustainability.

As party to the United Nations 2030 Agenda for Sustainable Development, the State remains committed to achieving the seventeen (17) Sustainable Development Goals (SDGs) by 2030. Guided by the SDGs and their targets, particularly SDG 12 which sets the Sustainable Consumption and Production Goal that is embodied in the long-term vision of AmBisyon Natin 2040, the State shall implement programs geared towards responsible and sustainable consumption and production with the end view of achieving a fully circular economy.

16 Sec. 3. *Definition of Terms.* – As used in this Act:

a. Green public procurement program refers to a process whereby public 1 procure goods and services with reduced authorities seek to 2 environmental impact throughout their cycle when compared to good and 3 services with the same primary function that would otherwise be procured. 4 It ensures value for money in terms of source, quantity, price, time and 5 delivery. It prohibits the use of discriminatory criteria such as brands, 6 labels or other supplier's requirements that could distort the open 7 competition. 8

۰,

- b. *Circular economy* refers to a new and inclusive economic paradigm that
  aims to minimize pollution and waste, extend product lifecycles, and
  enable the broad sharing of physical and natural assets. It is a competitive
  economy that creates green and decent jobs and keeps resource use
  within planetary boundaries.
- c. *Common-use supplies and equipment* refer to those goods, materials and
   equipment that are used in the day-to-day operations of procuring entities
   in the performance of their functions.
- executive, judicial or legislative d. *Procuring entity* refers to the 17 branch, constitutional commission or office, agency, department, 18 bureau, office, or instrumentality of the government of the Philippines, 19 including government-owned and controlled corporations (GOCCs), 20 government financial institutions (GFIs), state universities and colleges 21 units (LGUs) procuring qoods, and local government (SUCs) 22 infrastructure projects and consulting services. 23
- e. *Philippine Government Electronic Procurement System (PHILGEPS)* refers to the electronic system that shall serve as the primary and definitive source of information on government procurement.
- Sec. 4. *Establishment of a Green Public Procurement (GPP) Program in all Branches of Government.* – The executive, judicial and legislative branches of government, including constitutional commissions, state universities and colleges (SUCs), government-owned and controlled corporations (GOCCs), government financial institutions (GFIs), and local government units (LGUs), shall implement a Green Public Procurement (GPP) Program to achieve sustainable consumption and

production in government procurement in accordance with the GPP Roadmap 1 established by the Government Procurement Policy Board (GPPB) for the purpose, 2 consistent with the governing principles of Republic Act No. 9184, or the Government 3 4 Procurement Reform Act.

5

٠.

SEC. 5. Objectives of the Green Public Procurement (GPP) Program. -The GPP Program shall have the following objectives: 6

7 8

a) To promote the culture of making green, sustainable, and informed decisions in government, especially in government procurement;

b) To require the Philippine Government Electronic Procurement 9 System (PHILGEPS) in coordination with the Procurement Service of the 10 Department of Budget and Management to identify all government 11 agencies procuring common-use supplies and equipment (CSE) and non-12 common use supplies and equipment (non-CSE) identified by GPPB as 13 part of the Green Procurement Roadmap; 14

- c) To promote the preferential use of green criteria in government 15 procurement whenever possible and practicable; 16
- d) For the relevant government agencies to develop technical specifications 17 for CSE and non-CSE products, taking into account among others, the 18 following processes and principles: 19
- Development of a standard template consisting of scope, key i. 20 environmental impact of a product in terms of its material 21 composition, use and eventual disposal, product specifications, 22 evidence, verification and references; 23
- Extensive research of GPP technical specifications, taking into ii. 24 account international and national specifications of countries with 25 extensive GPP experience; 26
- Documentation of comments and feedback on the technical iii. 27 specifications of the various products; 28
- Conduct of environmental impact studies of a product in terms of iv. 29 its material composition, use, and eventual disposal; and 30
- Inclusion of employment generation, safe working environment, 31 ٧. and supply-chain management in the formulation of a long-term 32

sustainability criteria.

٠.

1

2

3

4

5

6

- e) To establish and include green criteria or specifications developed by the GPPB in the project or product requirements of procuring entities; and
- f) For the relevant government agencies to develop programs for manufacturers and suppliers of green and sustainable products and services for relevant government agencies.

SEC. 6. *Functions of the Government Procurement Policy Board (GPPB).* – In
 addition to its existing functions, the GPPB shall perform the following:

- a) Protect the national interest in all matters affecting public procurement, giving
   due regard to the country's regional and international obligations;
- b) Ensure the incorporation of the concept of sustainability in the procurement
   activities of the government. The GPP Program shall be implemented in
   phases, taking into account the readiness of both the government agencies as
   well as green product suppliers to implement the program;
- c) Centralize the information on GPP guidelines and procedure, green criteria,
   green product listing of information and verification methods;
- d) Design and conduct capacity building and training programs for government procuring entities and green product suppliers and service providers, particularly the Micro, Small and Medium Enterprises (MSMEs) to encourage consistency in the delivery of green products and services and efficiency in implementing the GPP requirements;
- e) Develop incentive schemes, such as recognition or awards for GPP performing
   units to increase motivation and catalyze action for better performance and
   environmental stewardship; and
- f) Establish standard monitoring and evaluation mechanisms to measure the
   compliance of procuring entities to the criteria.
- SEC. 7. *Submission of Plans and Reports.* All agencies shall submit their respective GPP Programs to the GPPB, the specific requirements and mechanisms of which shall be defined in the rules and regulations to be promulgated to implement this Act. The GPPB shall, in turn, submit an annual report to the Committee on Sustainable Development Goals of the House of Representatives and to the Committee on Sustainable Development Goals, Innovation and Futures Thinking of

the Senate on the compliance of the different agencies with the provisions of thisAct.

Sec. 8. Third party Verification. - The GPPB shall identify competent third-3 party verifiers that will assess the environmental soundness and sustainability of the 4 CSE and non-CSE that will be procured. All agencies of the government identified in 5 this Act are mandated to comply with the green criteria established by the GPPB, 6 along with the other technical specifications required by the agency for the particular 7 procurement, in accordance with the relevant provisions of RA No. 9184 and its IRR. 8 The GPPB shall provide a list of certified environmentally-sound and sustainably-9 produced products and services, and accredited testing centers and manufacturers 10 for reference of the agencies which shall be updated regularly by the GPPB based on 11 the established green criteria for specific goods and items included in the GPP 12 Program and Roadmap. 13

Sec. 9. *Capability-building of Government Agencies and Information, Education and Communication (IEC) Awareness Programs.* – The GPPB shall regularly implement capacity building and information, education and communication programs to develop capacities and enhance awareness and understanding on the implementation of the GPP Program. These programs will include the conduct and provision of the following:

20

٠.

a) Training needs assessment of the entire public sector;

- b) Relevant training programs and modules for all government agencies or
   procuring entities;
- c) Technical assistance and conduct of awareness programs for suppliers,
   particularly the MSMEs; and
- d) IEC awareness campaigns and programs for all government agencies or
   procuring entities, MSMEs, and the general public.
- SEC. 10. *Implementing Rules and Regulations.* Within thirty (30) days from the effectivity of this Act, the GPPB shall in coordination with the Commission on Audit (COA) and the National Economic and Development Authority (NEDA), promulgate and issue the necessary rules and regulations for the effective implementation of this Act.

Sec. 11. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional or invalid, the portions or provisions which are not affected shall continue to be in full force and effect.

Sec. 12. *Repealing Clause.* – All laws, presidential decrees, executive orders,
rules and regulations contrary or inconsistent with the provisions of this Act are
hereby repealed, modified, or amended accordingly.

Sec. 13. *Effectivity.* - This Act shall take effect fifteen (15) days after its
 publication in the Official Gazette or in a newspaper of general circulation in the
 Philippines.

Approved,

٠.