

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1272



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.,
HON. MIGUEL LUIS R. VILLAFUERTE, HON. TSUYOSHI ANTHONY G.
HORIBATA AND HON. NICOLAS ENCISO VIII**

EXPLANATORY NOTE

With government spending constituting almost a quarter of the Philippine national economy and likely to increase in the coming years, public procurement has an inevitable effect on the market supply of goods and services. As both public and private organizations become increasingly aware of the need to reduce the impact of products, goods, as well as services to the environment, government procurement carries the potential of stimulating the market for the production of ecologically friendlier products by setting an example as responsible consumer.

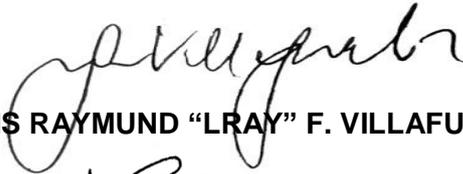
This policy which has gained traction in foreign jurisdictions under the concepts of "sustainable procurement", "green public procurement", or "green purchasing" involves a process whereby public organizations meet their needs for goods, services, works and utilities in a way that benefits not only the organization, but also society and the economy, while minimizing damage to the environment.

Through this policy, governments can drive innovation and provide the industry with incentives to develop green products and services. Studies have also shown that green public procurement may provide financial savings for government purchasers considering the full lifecycle costs of a procurement contract. In Europe, public procurement criteria have already begun adopting life-cycle costing or a method of considering all the costs that will be incurred during the lifetime of a procured product, work, or service. Life-cycle costs may also include the cost of externalities such as greenhouse gas emissions associated with the product.

As party to the United Nations 2030 Agenda for Sustainable Development, adopting a sustainable public procurement legal framework concretizes the country's commitment to the ideals of Sustainable Development Goal No. 12 on Responsible Consumption and Production. This bill mandates all government departments, offices, and agencies to establish their respective Sustainable Procurement Program which shall take into consideration the lowest life-cycle cost of products and services and include a coding system for packaging materials and products to facilitate waste recycling and reuse. It

further directs the Government Procurement Policy Board to appoint a third-party verifier of claims of sustainability of products and services while establishing capacity-building programs for all government agencies.

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



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.



MIGUEL LUIS R. VILLAFUERTE



TSUYOSHI ANTHONY G. HORIBATA



NICOLAS ENCISO VIII

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**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 “*Green Public Procurement Act*”.

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

As party to the United Nations 2030 Agenda for Sustainable Development, the State remains committed to 10 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 Goals, and the long-term vision embodied in AmBisyon Natin 2040, the State shall implement programs geared towards responsible and sustainable consumption and production with the end view of having a fully circular economy.

SECTION 3. *Establishment of a Green Public Procurement (GPP) Program in all Branches of Government.* — The executive, judicial and legislative branches of government shall implement a Green Public Procurement (GPP) Program to achieve sustainable consumption and production in government procurement in accordance with the GPP Roadmap established by the Government Procurement Policy Board (GPPB) for the purpose, consistent with the governing principles of Republic Act No. 9184, or the Government Procurement Reform Act.

SECTION 4. Objectives of the Green Public Procurement (GPP) Program. — The GPP Program shall have the following objectives:

- 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 System (PHILGEPS) to identify all government agencies procuring consumable supplies and equipment (CSE) and non-consumable supplies and equipment (non-CSE) identified by GPPB as part of the Green Procurement Roadmap;
- c. To observe green criteria in government procurement whenever possible and practicable;
- d. To develop technical specifications for CSE and non-CSE products, taking into account, among others, the following processes and principles:
 - i. Development of a standard template consisting of scope, key environmental impact of a product in terms of its material composition, use and eventual disposal, product specifications, evidence, verification and references;
 - ii. Extensive research of GPP technical specifications, taking into account international and national specifications of countries with extensive GPP experience;
 - iii. Document comments and feedback on the technical specifications of the various products;
 - iv. Conduct of environmental impact studies of a product in terms of its material composition, use, and eventual disposal; and
 - v. Include employment generation, safe working environment, and supply-chain management in the formulation of a long-term sustainability criteria.
- e. To establish a system for the development of green criteria and including the same in the project requirements developed by procuring entities; and
- f. To develop programs for manufacturers and suppliers of green and sustainable products and services for relevant government agencies.

SECTION 5. Functions of the Government Procurement Policy Board (GPPB).

— The GPPB shall perform the following functions in implementing this Act:

- 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 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 products suppliers and service providers, particularly the Micro, Small and Medium Enterprises (MSMEs), to encourage consistency in delivering green products and services and efficiency in implementing the GPP requirements;

- e. The GPPB shall 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 monitoring and evaluation mechanisms.

SECTION 6. *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 (IRR) 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 the Committee on Sustainable Development Goals, Innovation, and Futures Thinking of the Senate of the Philippines on the compliance of the different agencies with the provisions this Act.

SECTION 7. *Verification by Agencies.* —All agencies of the government are mandated to conduct the verification of the compliance of the goods or items being procured with the green criteria established by the GPPB, along with the other technical specifications required by the agency for the particular procurement, in accordance with the relevant provisions of RA No. 9184 and its IRR. The GPPB shall provide a list of testing centers for reference of the agencies in the conduct of the verification, which shall be updated regularly based on the green criteria established by the GPPB for specific goods and items included in the GPP Program.

SECTION 8. *Capability-Building of Government Agencies.* — The GPPB shall implement regular capacity building programs to develop the skills of government agencies in understanding and implementing the government's GPP Program through the following:

- a. Conduct of relevant training needs assessment of the public sector;
- b. Provision of technical assistance to suppliers, particularly the MSMEs; and
- c. Conduct of public awareness campaigns on green procurement, among others.

SECTION 9. *Implementing Rules and Regulations.* — Within thirty (30) days from the effectivity of this Act, the Government Procurement Policy Board (GPPB), in coordination with the Commission on Audit (COA), shall promulgate and issue the necessary rules and regulation for the effective implementation of this Act.

SECTION 10. *Separability Clause.* — If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or provision not otherwise affected shall remain valid and subsisting.

SECTION 11. *Repealing Clause.* — All laws, presidential decrees, executive orders, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed, modified, or amended, accordingly.

SECTION 12. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,