Ministry of Environment and Forestry, Indonesia

CHALLENGES OF GPP & ECO-LABELLING; INDONESIA PERSPECTIVES

The International Symposium on GPP and Eco-labelling towards Sustainable Consumption & Production

Tokyo, Japan, 11-12 December 2014
OUTLINE

• Preface
• 10 YFP SCP Indonesia
• Ecolabel and GPP Regulations
• Mechanisms of Ecolabel Implementation
• The infrastructures for Implementation
• GPP Development
INDONESIA..., A GROWING ECONOMY

**Indonesia today ...**

- 16th-largest economy in the world
- 45 million members of the consuming class
- 53% of the population in cities
- 74% of GDP
- 55 million skilled workers in the Indonesian economy
- $0.5 trillion market opportunity in consumer services, agriculture and fisheries, resources, and education

**... and in 2030**

- 7th-largest economy in the world
- 135 million members of the consuming class
- 71% of the population in cities
- 86% of GDP
- 113 million skilled workers needed
- $1.8 trillion market opportunity in consumer services, agriculture and fisheries, resources, and education
What we want: Our Vision.....

Improvement of living quality of the people and a clean and healthy environment
10 YFP SCP INDONESIA

- 10YFP SCP Indonesia launched by H.E Minister Balthasar Kambuaya, Minister of Environment on 5 June 2013

- Cross cutting programs performed by related Ministries and institutions

Green Public Procurement can be one of the important policy instrument in the development of green markets worldwide
Target 1
Inclusion of SCP into five year plan (RPJMN 2015 – 2019)

Target 2
Asset Development & Management: Development of SCP Resource Pool Indonesia

Target 3
Quick wins GPP
Green Building
Green Industry
Green Tourism

Green Public Procurement can be one of the important policy instrument in the development of green markets worldwide
INDONESIA SCP STRATEGY

Sustainable Production

NR & Env Protection
Resource Efficiency
Green Market
Sustainable Consumption

Green Product

GP availability & Information
Increase quality, quantity & distribution
Consumption intervention
ECOLABEL AND GPP REGULATION

- The mandate of the Law 32/2009 Environmental Protection & Management requires:
  - Article 43 paragraph (3) a: Government and Local Government to develop and implement Economic Instrument of Environment; “incentives/ disincentives in the form of environmentally friendly procurement of goods and services
  - Article 43 paragraph (3) g: Procurement which provides the preference/priority on the goods and Services which labeled environmentally friendly (labelling system);

- Presidential Decree No. 54 Year 2010 has addressed Environmentally Friendly Concept in G and S procurement; Article 105

- Minister of Environment Decree No. 02 Year 2014 has addressed Inclusion of Ecolabel Logo/Label for environmentally friendly/ green product
The Objectives

• Materialize synergy of negative impact control to environment of product life cycle

• Encourage demand and supply of environmentally friendly products

• To stimulate businesses and industries to deliver environmentally friendly products, which include any goods or services

• To help consumers/members of society identify and select environmentally friendly products
The Standard of ISO 14020 General Principles of Environmental labels and declarations, and ISO 14024 Guideline of Ecolabel Type I
- The Standard of ISO 14021: Environmental Label and Declarations - self Declared Environmental Claims (Type II Environmental Labelling)
ECOLABEL TYPE

- Ecolabel Type I is based on multi criteria agreed by the stakeholders, certified by the third party programme that award as license which authorizes, the environmental labels on products/ packaging
- Ecolabel Type II is based on claims of producers and retailers, verified by third party
- The implementation of ecolabel is proactive and voluntarily in nature
The Meaning of the logo
The basic form of balance is taken from the philosophical symbol of the East Asian nations (Yin Yang) as universal symbol. The picture of leaves that represent the symbol of environment engraved touching but without crossing each other to illustrate harmony.

The colors of dark green and light green is taken from the color of leaves that represent the elements of environment. The colors are selected to yield a harmonious color composition, far from contrasting or opposing elements.
• ISO 14024 Environmental labels and declarations – Type I ecolabeling – Principles and Guidelines
• Current laws and regulations
• International Conventions
• Standards related to products
• Similar criteria in other ecolabel programs
THE STRUCTURE OF ECOLABEL TYPE I CRITERIA

- The scope of product category
- Criteria & Benchmark: related to the considerations of significant environmental aspects along products’ life cycle
Prerequisites:

a. Compliance with environmental legal requirements
b. Implementation of Environmental Management System
c. Fulfillment of quality standard and or implementation of Quality Management System
d. Environmentally friendly product packaging

Examination method/ verification measures
TYPE I ECOLABEL CRITERIA

1. Un-coating printing paper
2. sanitary tissue paper
3. wrapping paper
4. Detergent powder for domestic laundry
5. Leather
6. Leather casual shoes
7. Textile
8. Dry cell
9. Coating paper
10. Water-base paint
11. Plastic shopping bag
12. Ceramics tile
ECOLABEL MECHANISM

Multi-criteria ecolabel
- SNI Ecolabel criteria formulated in KLH TC
- Ecolabel Certification Body accredited by National Accreditation Committee
- Ecolabel certificate issuance by the LSE and registration to MoE
- Inclusion of the Ecolabel logo by the certificate holder

Self-declared ecolabel
- Environmental aspects of the claim + evidence supporting the claim
- Ecolabel Verification Body registered by MoE
- The issuance and registration of self-declared eco-label recommendations to MoE
- Inclusion of the Ecolabel logo Self declared by the registration holder
TYPE I ECOLABEL IMPLEMENTATION

• Product category: Un-coating printing paper
• Number of products certification: 19 branded from 4 enterprises
• 2 (two) accredited ecolabel certification bodies (LSE)
  - Mutu Agung Lestari (Maleco)
  - Pulp and Paper International Certification Services (PaPICS)
• Kinds of environmental labeling product (based on self-declare)
## Type I Ecolabel Implementation

<table>
<thead>
<tr>
<th>No.</th>
<th>PRODUK</th>
<th>PRODUSEN</th>
<th>VERIFIKASI</th>
<th>IDENTIFIKASI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>PT. Riau Andalan Kertas</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PT. Indah Kiat Pulp &amp; Paper, Tbk</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PT. Pabrik Kertas Tjiwi Kimia Tbk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Kertas cetak</td>
<td>PT. Pindo Deli Pulp and Paper Mills II Tbk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Kertas <em>offset</em> printing</td>
<td>PT. Riau Andalan Kertas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Kertas presentasi</td>
<td>PT. Riau Andalan Kertas</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
THE IMPLEMENTATION OF TYPE II ECOLABEL

• 2 (two) environmental labeling product (based on self-declare):
  - Recycled wrapping paper product
  - Degradable plastic product (Resin polyethylene)

• 1 registered ecolabel verification bodies (LVE)
  Pulp and Paper International Certification Services (PaPICS) with scope paper and plastic

(Environmental Aspect Claim)
AMOUNT OF PUBLIC PROCUREMENT IN INDONESIA

• Worldwide 15-20% of Government expenditures
• Government budget Indonesia: 1,800 trillion
• About 540 trillion (30%) for public procurement
INFRASTRUCTURE FOR IMPLEMENTATION

- Ecolabel Multi criteria-Environment-friendly (Type I):
  - Minister of Environment Regulations (MD 02/2014)
  - 12 eco-label criteria in Indonesian National Standard and certification system accredited by KAN;
  - Indonesian Ecolabel logo
  - Indonesian Eco-label Scheme

- Verified self-declared Ecolabel (Type II):
  - Minister of Environment Regulations (MD 02/2014)
  - Guidelines for Self-declared Indonesian Ecolabel
  - Self-declared ecolabel logo
  - Self-declared ecolabel scheme

- GPP criteria for products that do not yet have
  - ecolabel multicriteria verification and self-declared
  - (to be arranged)

- Draft regulation for GPP Technical Committe
- Related Ministries Initiatives Green Products
# ANOTHER INFRASTRUCTURES

<table>
<thead>
<tr>
<th>Government Activities</th>
<th>Activities</th>
<th>Government Institution</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Environment</td>
<td><img src="image" alt="Ramah Lingkungan" /></td>
<td>Ministry of Public Works</td>
<td>Green Sustainable Construction</td>
</tr>
<tr>
<td>Ministry of Forestry</td>
<td><img src="image" alt="Indonesian LEGAL Wood" /></td>
<td>Ministry of Tourism and Creative Economy</td>
<td>Green Tourism</td>
</tr>
<tr>
<td>Ministry of Energy</td>
<td><img src="image" alt="National Public Procurement Agency" /></td>
<td>National Public Procurement Agency</td>
<td>Sustainable Public Procurement</td>
</tr>
</tbody>
</table>
Conduct market & spending survey → Select priority product groups → Select priority attributes

Publish criteria and verification means → Define method for verification → Define (or revise) minimum criteria

Invite industry & suppliers to apply → Check applications → OK

Use for GPP → Publish GREEN LIST

Product or service on GREEN LIST → Accept

Reject for Improvement
Setting and revising green product criteria for GPP over time

- Simple criteria (about 30% of industry at this time)
- More stringent criteria (about 30-40% of industry at this time)
- Tough criteria similar to eco label Type I criteria with LCA

<table>
<thead>
<tr>
<th>Years</th>
<th>Stringency of criteria for GPP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td></td>
</tr>
<tr>
<td>2-3 years</td>
<td></td>
</tr>
<tr>
<td>4-5 years</td>
<td></td>
</tr>
</tbody>
</table>

- Set criteria
- Apply criteria
- Revise criteria
- Apply criteria
- Revise criteria
- Apply criteria
Scheme for Green Product Specification and Verification (GPSV) for GPP

I • Develop Green Product Criteria for GPP

II • Describe required means for proof of Product Conformity

III • Publish Green Product Criteria and means for proof of Product Conformity for GPP

IV • Invite producers to propose products for Verification and collect proof provided by suppliers

V • Compare products and provided proof with criteria and conduct Verification

VI • Prepare GREEN List of all those products that fulfil criteria for GPP
CONSTRAINS

- Lack of awareness both of producers and consumers
- Lack of data and information of environmental labeling products availability particularly product with self declare basis.
- Directory eco-product not available
CHALLENGES

- Existing ecolabel criteria (type I) can be used as one of the GPP instrument/criteria.
- Encourage producers to use a type I ecolabel criteria that already exist in their product.
- Accelerate the development of ecolabel criteria for type II, so it can also be used as an instrument/criteria in GPP.
- Improve the initiative to develop other criteria for GPP criteria when existing inadequate and integrating the various criteria that have been developed to implement GPP.
Directorate for Standardization and Technology
Ministry of Environment and Forestry

B Building 6 Floor
Jl. D.I. Panjaitan Kav. 24
Telp : 021 - 85906167
Email  : susy_nurmayanti@yahoo.co.id