

Act on Promoting Green Procurement

**The Act on Promotion of Procurement of Eco-Friendly Goods and Services
by the State and Other Entities**

(Act No.100 of May 31, 2000, promulgated on May 31, 2000 and enforced on April 1, 2001)



February 2017

Ministry of the Environment



Background

Environmental problems facing our country today such as climate change, air pollution, resource depletion, waste disposal, etc. are caused by mass production, mass consumption, mass disposal type of economic activities. In order to sustainably utilize limited resources and hand them down to future generations, it is essential to reform the ideal way of economic society and transform it into something that enables sustainable development. To that end, it is necessary to strive to reduce the environmental load in all sectors, and we must encourage the shift of demand to eco-friendly goods, etc. in the procurement practice of organizations as well.

The Act on Promoting Green Procurement was enacted in the year 2000. The concept and practices have been disseminated with the enforcement of the Act among government agencies, local governments, and businesses, etc., achieving certain results.¹

The international community also emphasizes the importance of sustainable consumption and production (SCP). The 2030 Agenda for Sustainable Development,² along with the Sustainable Development Goals (SDGs), was adopted at the United Nations Sustainable Development Summit in September 2015, and the assurance of the SCP was appointed as one of the Goals. Based on this, the State has decided to further promote green procurement to reach the Target 12.7³ of the SDGs, and adopt the procurement rate of designated procurement goods by the Government and Incorporated Administrative Agencies as an indicator. The importance of green procurement is recognized again as a way to build a sustainable society.



Objective

- ① To stimulate public procurement of
- ② To provide information, etc. on goods and services that contribute to the reduction of environmental loads (eco-friendly goods)



Building a sustainable society with low environmental loads



Target Institutions

- **The State and Incorporated Administrative Agencies (Article 3)**

In procuring goods and services (hereinafter referred to as "goods, etc."), the State and Incorporated Administrative Agencies, etc. must endeavor to select Eco-Friendly Goods, etc., for the purpose of promoting a shift of demand to Eco-Friendly Goods, etc., while giving consideration to the proper use of the budget.

- **Local Governments and Local Incorporated Administrative Agencies (Article 4)**

(1) Local governments are to endeavor to implement measures aimed at a shift of demand to Eco-Friendly Goods, etc., in accordance with the natural and social conditions of their local areas.

(2) Local incorporated administrative agencies are to endeavor to implement measures aimed at a shift of demand to Eco-Friendly Goods, etc., with regard to the administration and undertakings of the Local Incorporated Administrative Agencies.

- **Business Operators and Citizens (Article 5)**

In the case of purchasing or leasing goods, or receiving the provision of services, business operators and citizens are to endeavor to select Eco-Friendly Goods, etc., to the extent possible.

1 <http://www.env.go.jp/policy/hozen/green/g-law/index.html>

2 <http://www.un.org/sustainabledevelopment/development-agenda/>

3 Target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

**Overview of
the Act on
Promoting Green
Procurement**



<Article 1> Objective: To establish a society which can enjoy sustainable development with a smaller environmental impact

1. To encourage the State, independent administrative institutions to procure eco-friendly goods, etc.
2. To provide information on eco-friendly goods, etc.

Ministries and Agencies, etc.

**< Article 6 >
Basic Policy for the Procurement of Eco-Friendly Goods, etc.**

- ◆ The guidance for each organization to prepare the procurement policy for eco-friendly goods, etc.

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**< Article 7 and 8 >
The Diet, courts, ministries and agencies, etc.**

- ◆ Each organization makes and publicizes the procurement policy based on the Basic Policy every year.
- ◆ Procures goods, etc. based on the procurement policy. Announces the result of green procurement and
- ◆ reports it to the Minister of the Environment at the end of every fiscal year.

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**< Article 9 >
The Minister of the Environment requests each ministry, etc. to take necessary measures.**

Local governments and local independent administrative institutions

< Article 10 >
Endeavor to draw up a policy every year for the promotion of eco-friendly goods, etc.

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Not to increase the total procurement amount for the reason of implementing this law.

Business and citizens

< Article 5 >
Endeavor to choose eco-friendly goods, etc. as much as possible when purchasing goods or services.

Provision of appropriate information on eco-friendly goods, etc.

**< Article 12 >
Manufacturers, importers, etc.** should provide environmental information on their products.

**< Article 13 >
Eco-labeling bodies, etc.** should promote eco-labeling programs on scientific basis and in compliance with international standards.

**< Article 14 >
The State** considers appropriate information providing systems on eco-friendly goods, etc.



What is Green Procurement?

Green procurement is defined as a practice whereby purchasers seek to procure goods and services with **reduced environmental loads** throughout their life cycle with **consideration of their necessity**, from **suppliers who make constant efforts to be environmentally conscious**.

By making consumer behavior environmentally conscious, green procurement can encourage suppliers to develop products with low environmental loads, and convert the entire economic activities to more eco-minded ones.



Basic Concept of Green Procurement

The basic policy of the Act on Promoting Green Procurement describes the following **three concepts** for promoting procurement of goods and services that contribute to reducing environmental loads. These goods and services are called “eco-friendly goods, etc.”

1. Select goods and services from always environmentally conscious suppliers

Purchasers should consider the environmental loads of products besides the products’ price and quality. Not only environmental loads of the products, but also environmental management and information disclosure by manufacturers, distributors, etc. should be kept in mind when procuring eco-friendly goods.

2. Consider the life-cycle of goods and services

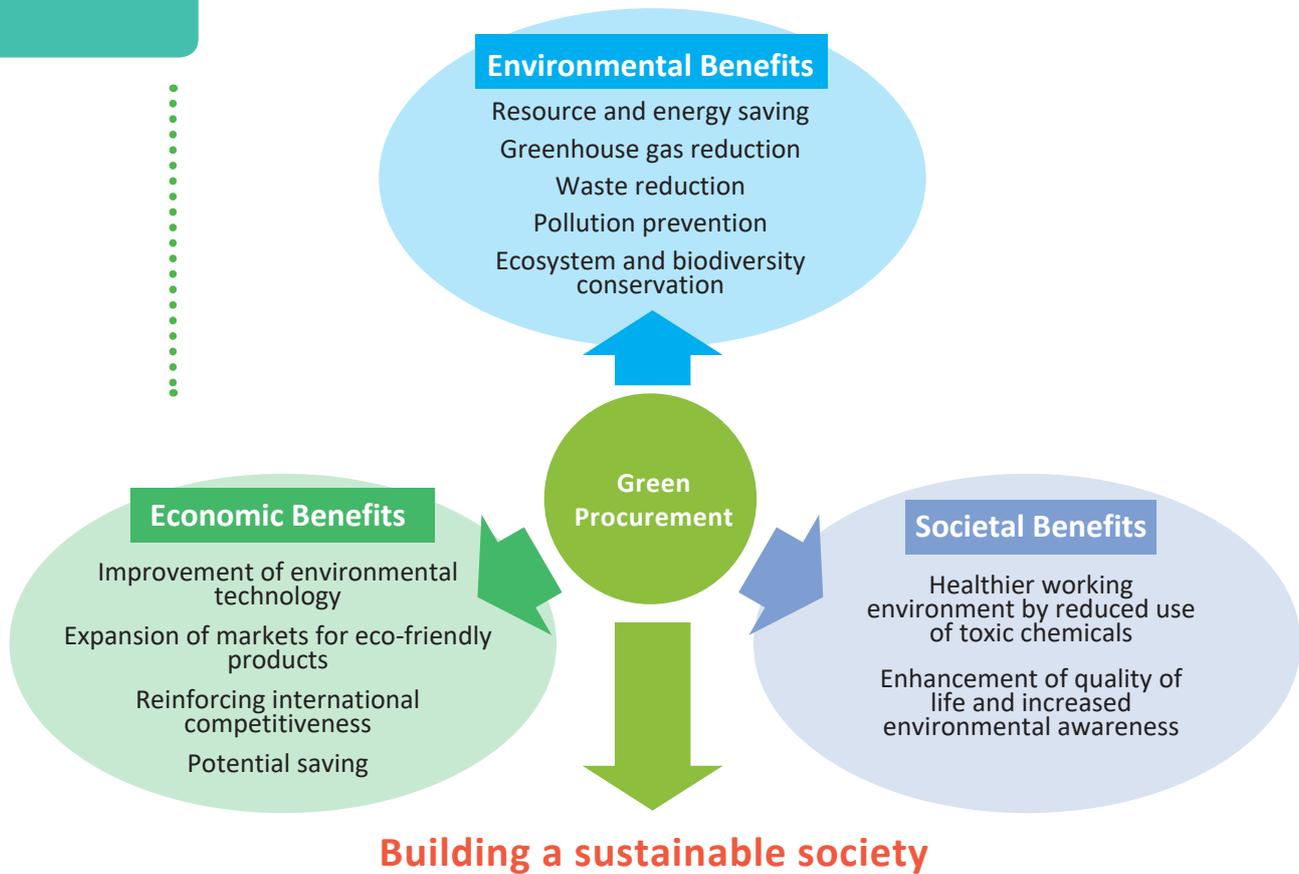
When selecting goods etc., it is necessary to consider reducing the environmental loads of the entire life cycle, extending from resource extraction to disposal. Local governments may have different environmental issues. In such cases, they may need to procure goods and services to address the particular issues.

3. Reducing has NO.1 priority

Total procurement volume should not increase under the pretext of promoting procurement of eco-friendly goods, etc. In other words, reduction of the procurement volume should be firstly considered. It is essential to the environmental loads will steadily decrease by proper and long-term use of procured eco-friendly goods, etc. and the waste separation.

Benefits of Green Procurement

Green procurement will bring us not only environmental, but also societal and economic benefits.



Advanced Environmental Consideration by Complying with the Green Contract Act⁴

	Act on Promoting Green Procurement	Green Contract Act
Feature	<ul style="list-style-type: none"> Regulates environmental performance of goods and services 	<ul style="list-style-type: none"> Defines recommended contracting methods such as comprehensive evaluation method and proposal method for each type of contract
Purpose	<ul style="list-style-type: none"> Procurement of goods and services which satisfy a certain level of environmental performance 	<ul style="list-style-type: none"> Procurement of goods and services with the best environmental performance after comprehensive evaluation of factors including price, etc.
Target items/Contracts	<ul style="list-style-type: none"> 274 items in 21 categories, including paper, stationery, office equipment, home electronic appliances, vehicles, uniforms and work clothes, facilities, stockpiles for disaster, public work projects, and services (Cabinet Decision in February 2017) 	<ul style="list-style-type: none"> Six types of contracts: procurement of electricity, procurement and leasing of automobiles, procurement of ships, ESCO projects, architectural design, and industrial waste management (Cabinet Decision in February 2017)
Target institutions	<ul style="list-style-type: none"> Applied to government agencies and public institutions such as ministries, Independent Administrative Agencies, and national university corporations, etc. Local governments and local independent administrative institutions are asked to make efforts. 	<ul style="list-style-type: none"> Applied to government agencies and public institutions such as ministries, Independent Administrative Agencies, and national university corporations, etc. Local governments and local independent administrative institutions are asked to make efforts.
Others	<ul style="list-style-type: none"> Cabinet decision on evaluation criteria for eco-friendly goods and services Procurement of eco-friendly goods and services in accordance with the Basic Policy Publication of the summary of procurement track record by the target organizations 	<ul style="list-style-type: none"> Cabinet decision on the methods, etc. of green contracts Applying green contracts in accordance with the Basic Policy Publication of the conclusion record of the contracts by the target organizations

⁴ Act on Promotion of Contracts of the State and Other Entities, Which Show Consideration for Reduction of Emissions of Greenhouse Gases, etc.



Movement toward Green Procurement

Initiatives in Japan

The initial systematic implementation of green procurement
A local government worked out a comprehensive guideline on green procurement.

1994

“The Action Plan for Greening Government Operations” by the Government
“Environmental consideration when procuring and using goods and services” was mentioned in the action plan.

1995

Establishment of the Green Purchasing Network (GPN)
The non-profit organization, composed of private enterprises, local governments, and NGOs/NPOs, etc. who were proactive in green purchasing, started dissemination activities.

1996

Enactment of the Act on Promoting Green Procurement (enforcement in 2001)
Six legislations including the Basic Act on Establishing a Sound Material-Cycle Society were integrally enacted.

2000

Formulation of the Fundamental Plan for Establishing a Sound Material-Cycle Society
Improvement of awareness and particular activities of green procurement were included as the objective of the plan.

2003

Enactment and enforcement of the Green Contract Act

2007

The Second Fundamental Plan for Establishing a Sound Material-Cycle Society
Consumer behaviour based on green procurement was described in the image of the recycling-based society in 2025.

2008

The Third Fundamental Plan for Establishing a Sound Material-Cycle Society

2013



International Initiatives

The World Summit on Sustainable Development (Johannesburg Summit)
The Johannesburg Summit noted that fundamental changes in the way societies produce and consume are indispensable for achieving global sustainable development and agreed that all countries should promote sustainable consumption and production.

2002

Marrakech Task Force on Sustainable Public Procurement (until 2011)

2005

The United Nations Conference on Sustainable Development (Rio+20)
The 10-Years Framework Programme on Sustainable Consumption and Production (10YFP) was adopted, and the Sustainable Public Procurement (SPP) Programme was recognized as one of the priority programmes.

2012

Sustainable Public Procurement Initiative (SPPI)
The Initiative was launched to aim worldwide promotion of implementation of SPP through increased cooperation between the key stakeholders and a better understanding of SPP's potential benefits and influence.

2013

Sustainable Public Procurement (SPP) Programme of the 10-Year Framework Programmes on Sustainable Consumption and Production (10YFP)
The Programme was launched to disseminate the knowledge of SPP and support the implementation of SPP through increased collaboration, and better access to capacity building tools and support through SPP experts.

2014

The 2030 Agenda for Sustainable Development
Ensuring sustainable consumption and production patterns is included in the Sustainable Development Goals (SDGs).

2015



Designated Procurement Items and Evaluation Criteria

The basic policy of the Act on Promoting Green Procurement specifies eco-friendly goods, etc. as designated procurement items that should be favored in public procurement. The Ministry of the Environment annually reviews the designated procurement items and their evaluation criteria. The number of designated procurement items has increased to 274 in 21 categories in 2017, from 101 in 14 categories in 2001.

Both designated procurement items and their evaluation criteria have diversified over time. The Ministry of the Environment has been publishing “Green Procurement Guidelines for Purchasers” to help purchasers understand evaluation criteria and encourage the procurement of eco-friendly goods, etc. What is important to know is that the Act on Promoting Green Procurement is not a conformity assessment system. This means that business operators may declare conformity of their products by themselves. Therefore, it is important for purchasers to select eco-friendly goods having labeling of conformity with the evaluation criteria of the Act, or by referring to other environmental labels, etc.

List of categories of designated procurement items as of February, 2017

① Paper	⑧ Home Electronic Appliances	⑮ Interior Fixtures and Bedding
② Stationery	⑨ Air Conditioners, etc.	⑯ Work Gloves
③ Office Furniture, etc.	⑩ Water Heaters, etc.	⑰ Other Textile Products
④ Imaging Equipment, etc.	⑪ Lighting	⑱ Facilities
⑤ Computers, etc.	⑫ Vehicles, etc.	⑲ Stockpiles for Disaster
⑥ Office Equipment, etc.	⑬ Fire Extinguishers	⑳ Public Work Projects
⑦ Mobile Telephones, etc.	⑭ Uniforms and Work Clothes	㉑ Services

● Column ●

Ministry of the Environment is promoting the “COOL CHOICE” campaign

Japan has generated ideas for saving energy and introduced cutting-edge technologies as a country poor in natural resources. Choosing “a lifestyle in the future” based on these ideas and technologies will contribute to reduction of CO₂ emissions. Besides frequently turning off the lights, adjusting the thermostat setting, and saving water, why don’t we start choosing eco-friendly vehicles, appliances, and housing for the future environment’s sake?

For more information visit Ministry of the Environment’s web portal “COOL CHOICE”
<http://ondankataisaku.env.go.jp/coolchoice/>



Implementation Process of Green Procurement

To implement green procurement permanently, it is essential for an organization to go through the stages of “drawing up procurement policy,” “implementation,” and “analyzing achievements and planning improvements”.

	Stages/Steps	Issues	Possible Solutions
Drawing up procurement policy	Understanding the current situation	Your organization has no idea how to understand the current situation.	<ul style="list-style-type: none"> ● To ask individual sections for their procurement methods and records. ● To construct a simple data aggregation system and improve work efficiency.
	Drawing up procurement policy	Your organization has no idea how to work out a procurement policy.	<ul style="list-style-type: none"> ● To adopt existing procurement policies developed by other local governments.
	Specifying procurement items	Your organization has no idea what items should be targeted.	<ul style="list-style-type: none"> ● To develop evaluation criteria for each product item by referring to existing procurement policies of other local governments.
	Building a task force	Your organization has no idea who should be involved in making the policy.	<ul style="list-style-type: none"> ● To consult other local governments that have already formulated procurement policy.
	Illustrating procurement proceeding	Your organization has no idea of the procurement process.	<ul style="list-style-type: none"> ● To create a manual, etc. that include the entire process and key points, and so on of green procurement.
Implementation	Completion of procurement policy	Your organization has no information about the goods to procure, including specification and prices.	<ul style="list-style-type: none"> ● To make a product list by item. ● To utilize certification systems of each product.
	Implementation of green procurement	Your organization has no idea if a product fulfills evaluation criteria.	<ul style="list-style-type: none"> ● To issue a guidebook explaining evaluation criteria in more detail.
	Collecting product information	It is difficult to promote green procurement in organizations other than the relevant sections.	<ul style="list-style-type: none"> ● To build a cross-sectional implementation structure. ● To conduct training for procurement officers in all sections. ● To unify procurement sections in the organization. ● To include green procurement practices in other plans and policies. ● To prepare standard forms and specifications.
	Raising awareness towards green procurement	The awareness towards green procurement is low.	<ul style="list-style-type: none"> ● To conduct staff training. ● To carry out enlightenment campaigns on green procurement.
Analyzing achievements and planning improvements	Analyzing achievements of implementation	Your organization has no idea how to analyze the achievements of implementation.	<ul style="list-style-type: none"> ● To consult other local governments that have already introduced data aggregation systems.
	Reviewing of practices	Your organization has no idea how to recognize the benefits of green procurement.	<ul style="list-style-type: none"> ● To consult other local governments that have already developed a scheme to confirm the benefit of green procurement.



Formulation of procurement policy

It is desirable for organizations to reach consensus internally when introducing green procurement, and the procurement policy plays an important role in doing so. Including criteria of green procurement in specifications and determining unified specifications of eco-friendly goods are also efficient.

Organizations need to consider the roles and collaboration of the relevant sections in procurement and evaluation systems, etc., prior to the introduction.

Organizational efforts in green procurement will not only bring about reduction of environmental loads, but also reduction of the total procurement volume, cost reduction, increased awareness, and improved work efficiency, etc. Confirming the environmental, societal, and economic benefits based on the current procurement situation is another way to promote green procurement.



Implementation

Organizations should clarify the way to verify products' conformity to evaluation criteria and collect the product information of specific target items in advance for the smooth implementation of green procurement. It is essential for an organization to keep all employees motivated to improve their knowledge and skills in implementing green procurement permanently.

Issuing a guidebook, etc. and staff training are also necessary as a measure against delay of green procurement implementation caused by transfer of personnel.



Analyzing achievements and planning improvements

A system for monitoring, reporting, and compiling data is indispensable for an organization to analyze its results in green procurement. In its first time procedure of achievement analysis the organization should mind that the staff will not be overloaded with jobs, by limiting periods in data compilation or using existing systems. Recognizing additional effects of green procurement such as reduction of CO₂ emission, cost reduction, etc. will make it easier for the organization to expand its green procurement practice.

On the other hand, the practice may turn into a mere façade, and the staff may lose its sense of purpose over time. It is thus advisable to review procurement policy and evaluation criteria as necessary.



Case Example of the City of Yokohama

The City of Yokohama has issued the “City of Yokohama Basic Policy on Promoting Green Procurement” and the “City of Yokohama Procurement Policy for Promoting Green Procurement” based on the Basic Policy of the Act on Promoting Green Procurement and has implemented green procurement since 2002.

In 2015, the city participated in the “Support Program for Local Governments on Implementation of Green Procurement and Green Contract” which was operated by the Ministry of the Environment, as the city recognized the importance of the opportunity for all staff members to obtain knowledge and skills for collecting products’ environmental information and verifying them based on the evaluation criteria.

The city prepared training material for the basic and advanced courses with the support of the Ministry of the Environment. The training sessions are provided for the staff through the e-learning programs of the city. More than 500 members have participated in each of the training courses as of December 2016. Their understanding of green procurement has been further progressing.

City of Yokohama Basic Policy on Promoting Green Procurement

In order to address environmental issues such as global warming and waste management and to build a sound material-cycle society, it is necessary to review social system consisting of mass production, mass distribution, mass consumption, and mass disposal, transforming it into a sustainable one with smaller environmental loads.

Enhancing procurement of environmentally friendly goods and services (hereinafter called “green procurement”) by the city, as both a business and a consumer, to reduce environmental loads will raise the demand of the citizens for eco-friendly goods and services. The Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (hereinafter called the Act on Promoting Green Procurement) was enacted to promote green procurement. Local governments are desired to promote procurement of eco-friendly goods and services in the Act. The city hereby formulates and implements this basic policy for reinforcing promotion of green procurement.

1. Purpose

The purpose of this basic policy is that the city contributes to building a sustainable society through implementation of green procurement, reducing the environmental loads caused by the city’s operational activities.

2. Definition of terms

(1) Eco-friendly goods, etc.

The term “eco-friendly goods, etc.” means raw materials, parts, goods, and services that contribute to environmental loads reduction and meet one of the following evaluation criteria.

- a. Made of recycled materials and/or materials that are easy to be recycled
- b. Minimal resource and energy consumption during use
- c. Either repairable or parts replaceable or refillable
- d. Simple packaging and wrapping
- e. Easy waste separation and recycling
- f. Highly durable and long-life
- g. Minimal use and release of materials with significant environmental loads during manufacturing process, operation, and disposal
- h. Acquired environmental labels and claims accredited by third party organizations

(2) Designated procurement goods

The term “designated procurement goods” means goods and services as stated in the appendix.

3. Basic approach toward the promotion of green procurement

- (1) To consider environmental conservation in addition to product price and quality
- (2) Making efforts to use goods and services reasonably, not to increase the total purchasing amount
- (3) To consider not to increase procurement volume for the reason of implementing green procurement
- (4) To procure designated procurement goods etc. to the full extent possible when selecting goods and services

4. How to promote green procurement

The City of Yokohama shall

- (1) formulate a procurement policy in which procurement targets of each category of goods are set every fiscal year and implement green procurement comprehensively and systematically,
- (2) develop a promotion system apart from this policy, and
- (3) publish implementation results of green procurement every year.

5. Review of appendix

The appendix is subject to revision depending on innovation and/or dissemination of products, progress of scientific knowledge, etc.

6. Scope of application

This basic policy shall be, in principle, applied to all organizations of the City of Yokohama.

7. Date of implementation

April 1, 2002



If You'd Like
to Know More
about Green
Procurement



Find the text of the Act on Promoting Green Procurement and relevant information at the

- The web portal of Ministry of the Environment (in Japanese, partially in English)
<https://www.env.go.jp/policy/hozen/green/g-law/>

Find evaluation criteria of designated procurement items in the

- Basic policy of the Act on Promoting Green Procurement (at the Ministry of the Environment website)

http://www.env.go.jp/en/laws/policy/green/2_2016feb.pdf

- Green Procurement Guidelines for Purchasers (in Japanese, published by the Ministry of the Environment) at

https://www.env.go.jp/policy/hozen/green/g-law/tebiki/h28_tyoutatusya.pdf

- Stationery Guidelines of the Green Procurement Act, 13th edition (in Japanese, published by the All Japan Stationery Association) at

http://www.zenbunkyo.jp/green/pdf/green_2016.pdf

Association website: <http://www.zenbunkyo.jp/>

- Office Furniture Guidelines of the Green Procurement Act, 9th edition (in Japanese, published by the Japan Office Institutional Furniture Association) at

http://www.joifa.or.jp/pdf/green_9.pdf

Association website: <http://www.joifa.or.jp/>

- Environmental Labels Database (in Japanese, maintained by the Ministry of the Environment website) at

<https://www.env.go.jp/policy/hozen/green/ecolabel/>

Find specific product information in the

- Eco-Products Database (in Japanese, maintained by the Green Purchasing Network (GPN)) at

<http://www.gpn.jp/econet/>

Organization's website: <http://www.gpn.jp/english/index.html>

- Search engine for Eco Mark products (in Japanese, maintained by the Eco Mark Office)

<https://www.ecomark.jp/search/search.php>

Organization's website: <https://www.ecomark.jp/english/>

- Energy efficient products information database (in Japanese, maintained by a subcontractor of the Agency for Natural Resources and Energy)

<http://seihinjyoho.go.jp/>

Find practices by local governments in the

- Green procurement practices database (in Japanese, accessible from the web portal of the Ministry of the Environment) at

https://www.env.go.jp/policy/hozen/green/g-law/jirei_db/index.html

- Questionnaire survey on green procurement by local governments (in Japanese, accessible from the web portal of the Ministry of the Environment) at

<https://www.env.go.jp/policy/hozen/green/g-law/shiryu.html>

Apply for training and/or information sessions in the

- Information session for the Basic Policy of Green Procurement Act and Green Contract Act (in Japanese, accessible from the web portal of the Ministry of the Environment) at

https://www.env.go.jp/policy/hozen/green/g-law/block_brief/index.html

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