For information July 2015

LEGISLATIVE COUNCIL PANEL ON ENVIRONMENT AFFAIRS

Promoting Green Procurement

Purpose

This paper aims to brief Members on the Government's initiatives in promoting green procurement.

Background

2. Green procurement means purchasing products and services that cause minimal adverse environmental impacts. It incorporates human health and environmental concerns into the search for high quality products and services at competitive prices. Many of such products are made of recycled materials. Hence promotion of green procurement would boost the demand of recyclables at source, creates more business for the recycling trade and generates more opportunities for the environmental sector as a whole.

3. As early as year 2000, the Government amended its procurement regulations to require bureaux and departments (B/Ds) to adopt the green specifications for products where promulgated by Environmental Protection Department (EPD) in their purchases as far as possible. In 2013, government green purchases of the 103 items in 17 categories on the green procurement list totaled \$1,041 million. In 2014 the total amount further increased to \$1,521 million. This comprised over 80% of total government purchases of those green items.

4. Besides, works related B/Ds have started to prompt the construction industry to practise green procurement. To achieve this, green specifications and features have been incorporated as tender requirements for works contracts where technically feasible and economically rational.

5. Our recent initiatives to promote green procurement within the Government and to the business sector and the industry are elaborated in details in the ensuring paragraphs.

Recent Development

A) Expanding the Government Green Procurement List

6. In 2013, the Government has commissioned the Hong Kong Productivity Council to expand and update the Government green procurement list in light of the latest market development. Taking into account findings of the study, the list has been expanded by 46% from original 103 items to now 150 items (<u>Annex 1</u>) with updated green specifications. Furthermore, we have developed streamlined green purchase tips to facilitate frontline procuring staff to carry out small amount purchases (i.e. not exceeding \$50,000 per order). The tips are applicable to 36 items which have been identified with frequent small amount purchasing needs. We will review the green procurement list from time to time to ensure it aligns with the latest procurement practice in the market.

7. The Government will issue an updated green procurement circular to B/Ds to facilitate them to adopt the expanded list. We will also revamp the information portal on green government procurement for use by procurement staff. The portal provides comprehensive information on the government's expanded green procurement list, specifications and green purchase tips, as well as hyperlinks to local and overseas green procurement practices, green product labelling/certification schemes, etc. Moreover, we will organise a series of training sessions for frontline procurement staff in various B/Ds and

share with them latest local and overseas green procurement practices.

8. Besides, the Government will appeal to professional bodies, industry groups and trade associations through various channels to appeal to their members to adopt green procurement practices as far as possible. They are encouraged to make use of the resources in the information portal in developing their green procurement practices.

B) Promoting Biodiesel

9. B5 diesel is 5% biofuel blended with 95% EURO V (conventional) diesel. The biofuel produced in Hong Kong mainly comes from waste cooking oil (WCO) gathered from restaurants and other food processing premises. Consumption of more B5 diesel can effectively divert WCO from wastage and support development of WCO recycling industry.

10. As part of the Government's commitment to promote wider use of B5 diesel in Hong Kong, two pilot programmes have been launched in January 2012 and May 2013 respectively for B/Ds to use B5 diesel in operating their machineries, vehicles and vessels in providing their public services. Upon the end of the second pilot programme on 31 July 2015, a total of about 11.5 million litres of B5 diesel will have been consumed by seven participating departments participating in the two pilot schemes, namely the Correctional Services Department, the Hong Kong Police Force, the Drainage Services Department, the EPD and the Government Logistics Department.

11. Riding on the successful experiences, more B/Ds have demonstrated interest in using B5 diesel in their operation. So far 11 B/Ds have committed to use or boost consumption of B5 diesel in the next available occasion. They include the seven participating departments of the second pilot programme, as well as the Food and Environmental Hygiene Department, the Agriculture, Fisheries and Conservation Department, the Water Supplies

Department and the Hospital Authority. Their estimated consumption will generate a demand of about 17 million litres of B5 diesel in the coming three years, representing a 42% annual increase over the yearly consumption of B5 diesel in the second pilot programme (i.e. 8 million litres for two years). We will continue our efforts to promote the wider use of B5 diesel.

C) Use of Green Products/Materials in Public Works Projects

12. To complement the Government policy on promoting green procurement, works departments have been promoting the use of recycled materials in public works projects as far as possible. At present, public works have adopted green products and recycled materials such as eco-pavers, EVs, low-emission non-road mobile machineries and reclaimed asphalt pavement. Besides, trial use of recycled glass cullets and B5 diesel has also been conducted in selected public works projects, as follows-

- (a) <u>Ecopavers (concrete paving blocks using recycled glass as aggregates)</u>
 Public works and housing projects consumed 3 500 tonnes of recycled glass cullet in ecopavers of total area 174 700 m² in 2014.
- (b) <u>Electric Vehicles (EV)s</u> 30 numbers of 5-seater and 4-seater EVs are now in use under public works contracts. Works departments have also specified the use of 12 EVs and 18 EVs in public works contracts tendered in 2014 in 2015 respectively.
- (c) <u>Low Emission Non-road Mobile Machinery (NRMM</u>) Development Bureau (DEVB) issued a technical circular in February 2015 to mandate the use of approved NRMM for four types of NRMM in new capital works contracts exceeding \$200M. The four types of NRMM include crawler crane, excavator, generator and air compressor.
- (d) <u>Reclaimed Asphalt Pavement (RAP)</u> The Highways Department has mandated the use of RAP in the bituminous paving materials for road

maintenance contracts and selected capital works contracts. About 128,600 tonnes of RAP was used in 2014.

- (e) <u>Recycled Glass Cullets (RGC)</u> Field trials on the use of RGC cullet as fill material and road sub-base are being conducted in a number of public works projects, including the site formation works in Liantang/Heung Yuen Wai Boundary Control Point, reclamation works in Hong Kong-Zhuhai-Macao Bridge etc.
- (f) <u>B5 diesel</u> A trial scheme was conducted in some public works contracts between 2013 and 2014 for construction machinery including air compressors, generators, excavators, crawler cranes, crane lorries, rollers and trucks. About 123 000 litres of B5 diesel was consumed in the scheme. Based on the positive feedback from the trial, DEVB has been taken steps to pave the way for wider use of B5 diesel in public works projects.

Way Forward

13. The Government has been demonstrating commitment and leadership in promoting wider adoption of green procurement practices. We will continue to promulgate initiatives on multiple fronts to drum up more new business for green product market and benefit the environmental sector as a whole. We will also proactively solicit support from the business sector and industry to promote green procurement. We will keep ourselves abreast of latest market development and update our initiatives from time to time.

14. Members are invited to note the above developments on the Government's efforts to promote green procurement.

Environmental Protection Department July 2015

Annex 1

Cat. Code	Category	Product Code	Product Item
A	Agriculture and horticulture	A01	Garden machinery (lawn mowers)
		A02	Pest control (termiticide)
		A03	Fertilizers / Compost
		B01	Flooring materials
		B02	PVC pipe and fitting
		B03	Solvent-based / Water-based paint for building finish
		B04	Carpet
		B05	Safety helmet
		B06	Adhesives and sealants
		B07	Concrete
		B08	Timber doors
		B09	Gypsum plasterboard
В	Building and construction supplies	B10	Concrete paving units (use of recycled aggregates only)
		B11	Photovoltaic panel
		B12	Asphalt pavement
		B13	Fill materials
		B14	Non-structural Steel Work
		B15	Sub-base materials
		B16	Rubber mat for playground
		B17	Thermal insulation
		B18	Ceramic tiles
		B19	Varnish and wax polish
		B20	Windows
		B21	Wood panels
C	Cleansing products	C01	All purpose cleaners
		C02	Laundry detergent /soap
		C03	Sanitary detergent
		C04	Soap toilet liquid
		C05	Cleaning rags and cotton waste

List of 150 green procurement items

		C06	Disinfectant
		C07	Deodorants
		C08	Detergents for dishwashers
		C09	Hand soaps
		D01	Desktop computer
		D02	LCD monitor
		D03	Network products (including LAN switches, routers, cables, etc.)
D	Computer equipment and	D04	Notebook computer
	products	D05	Printer
		D06	Server
		D07	All-in-one multifunctional devices
		D08	Scanner
E	Distilled water	E01	Water carboy for water dispenser
F	Electrical and gas appliances	F01	Domestic exhaust fan
	and light fittings	F02	Electric fan
		F03	Electric radiator (oil filled)
		F04	LPG hot plate
		F05	LPG water heater
		F06	Refrigerator
		F07	Room air cooler
		F08	Town gas cooker
		F09	Town gas water heater
		F10	Air purifier /cleaners
		F11	Dehumidifier
		F12	Dish washer
		F13	Electric storage water heater
		F14	Electronic ballast for fluorescent tube / lamp
		F15	Fluorescent tube / Compact fluorescent lamp
		F16	LCD projector
			LED lamp for households and offices
		F17	(including LED exit sign)
		F18	Microwave oven
		F19	Television

		F20	Vacuum cleaner
		F21	Washing machine / Dryer
		F22	Audio equipment (stereo system)
		F23	Induction cookers
		F24	Video equipment (video players & recorders)
		F25	Water boilers
		G01	Automotive fuel oil
C	Fuel oils and hydrocarbon lubricants	G02	Lubricating oil / grease
G		G03	Fuel oil for non-road based applications
		H01	Chair
		H02	Mattress
		H03	Partition screen
		H04	Sofa
Н	Furniture	H05	Steel filing cabinet
		H06	Workstation panel
		H07	Metal furniture
		H08	Wooden furniture
		H09	Outdoor furniture (chair,table & bench)
	I General stores and general services	I01	Mobile plastic waste containers
Ι		102	Stainless steel recyclables collection bins
	Household goods	J01	Bag / Backpack
J		J02	Glove for field work (polythene, disposable) (rubber, industrial) (white cotton)
	Office equipment	K01	Facsimile equipment
K		K02	Photocopier
		K03	Fire extinguisher
		K04	Paper shredder
		K05	Hot / Cold bottled water dispensers
L	Packaging materials	L01	Food packaging- plastic films
		L02	Packaging paper
		L03	Plastic films and sheets

М	Paper for printing and photocopying	M01	Continuous stationery for computer-generated form
		M02	Photocopying recycled paper
		M03	Recycled paper for printing
		M04	Woodfree photocopying paper
		M05	Printing paper coated on both sides
		M06	Woodfree printing paper
		N01	Brown wrapping paper
		N02	Toilet paper & paper towel
Ν	Paper products other than for	N03	Index card (paper)
	printing and photocopying	N04	Compostable paper bag
		N05	Notepad
		N06	Printed labels
		O01	Garbage collection bin
		O02	Plastic garbage bag
0	Plastic and rubber products	O03	Plastic bags (other uses)
		O04	Traffic bollard
		O05	General plastic products
		O06	General rubber products
Р	Printing and publishing	P01	Environment-friendly lithographic
	supplies		process inks
Q	Shoes and boots	Q01	Rainboot
		Q02	Safety boot / shoe
R	Stationery and office supplies	R01	Adhesive tape & tape dispenser
		R02	Correction fluid and thinner
		R03	File box
		R04	General office stationery
		R05	Ink / Toner cartridge
		R06	Self-stick note pad
		R07	Paper envelope
		R08	Paper file jacket
		R09	Pen
		R10	Pencil
		R11	Plastic file jacket
		R12	Rechargeable battery

		R13	Standard / Alkaline dry battery
		R14	Calculator
		R15	Correction tape
		R16	Glue / Adhesive
		R17	Ink for stamp pad
		R18	Pre-inked stamp
		R19	Carton boxes
		S01	Key telephone system
		S02	Mobile phone
S	Telecommunication equipment	S03	Radio communication system
6	and spares	S04	Radio paging equipment
		S05	Radio transceiver
		S06	Telephone battery
		T01	Clothing and textile products
Т	Textile materials and garment	T02	Textile bag (nylon, canvas and gunny bag)
	Transportation services	U01	Hiring of light goods vehicles
		U02	Hiring of lorries
U		U03	Hiring of saloon cars
		U04	Hiring of 20-30 & 40-61 seater coaches
T 7	Vehicles and spare parts	V01	Environment-friendly vehicles (private/commercial vehicles)
V		V02	Light bus
		V03	Rubber / Retreaded tyre
	Water using equipment	W01	Showers for bathing
		W02	Urinal equipment
W		W03	Water taps
		W04	Water saving flushing boxes and cisterns



New categories or products