

**Development of Green Procurement  
in the Government**

**Purpose**

This paper aims to brief Members on the latest development of green procurement<sup>1</sup> in the Government.

**Background**

2. The Chief Executive announced after the fifth meeting of the Task Force on Economic Challenges on 22 June 2009 that the Government would take the lead in making Hong Kong a green city through a number of measures including the expansion of green procurement in the Government. An Inter-departmental Working Group on Green Government Procurement (the Working Group) under the chairmanship of the Permanent Secretary for the Environment has subsequently been set up to take the matter forward. The Environment Bureau also issued in March 2011 a circular memorandum no. 2/2011 on Green Procurement in the Government<sup>2</sup> to set out additional measures to expand green procurement in the Government. Bureaux/departments (B/Ds) are requested to adopt the green specifications for products where promulgated by Environmental Protection Department (EPD) in their purchases as far as possible.

3. There was a total of 103 items in 17 categories on the Government procurement list as at March 2011. In 2013, government green purchases of the 103 items totaled HK\$1,041 million, which comprised 83% of total government purchases of those items.

**Latest Development**

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<sup>1</sup> 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.

<sup>2</sup> [http://etwb.host.ccg.hksarg/ENB\\_CirNo\\_02\\_2011.pdf](http://etwb.host.ccg.hksarg/ENB_CirNo_02_2011.pdf)

## A) Expanding the Green Procurement List

4. The Government has committed to reviewing the green procurement list from time to time with a view to expanding and updating it to facilitate green procurement by B/Ds. In this respect, the Hong Kong Productivity Council was commissioned to study the expansion of the green procurement list. Taking into account findings of the study, the list has been expanded by 46% from original 103 items to now 150 items with updated green specifications. To facilitate frontline operation and services, streamlined green purchase tips have also been developed for procuring staff to carry out small amount purchases (not exceeding \$50,000 per order regardless the quantities) of 36 items, which have been identified with frequent small amount purchasing needs from the updated green procurement list of 150 items.

5. To facilitate adoption of the expanded list, an updated green procurement circular to B/Ds is being prepared. The circular will be followed-up with a series of training sessions for the frontline procuring staff. In addition, a revamped information portal on green government procurement will be launched in the third quarter of 2015. The portal will provide comprehensive information on the government green procurement list, specifications and green purchase tips, as well as hyperlinks to local and overseas green procurement practices, green product certification schemes, etc.

6. As the portal is open to both B/Ds and the public, it would serve as a useful resource for business and trades to consider adopting green procurement in their operations. Besides, the Government will appeal to professional bodies, industry groups and trade associations to encourage their members to adopt green procurement practices as far as possible. We will also keep abreast of latest market development and will solicit support from suppliers and encourage them to provide feedback to us.

## B) Promoting Biodiesel

7. 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 would help divert WCO from wastage and support development of WCO recycling industry.

8. As part of the Government's commitment to promote wider use of B5 diesel, 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 in July 2015, a total of about 11.5 million litres of B5 diesel will have been consumed by seven participating departments<sup>3</sup>.

9. Riding on the successful experiences, EPD has continued to appeal to more B/Ds to use B5 diesel in their operation. So far 11 B/Ds<sup>4</sup> have committed to use or boost consumption of B5 diesel in the next available occasion. This will generate a demand of about 17 million litres of B5 diesel in the coming three years, representing a 42% annual increase compared to the total amount of B5 diesel consumed in the second pilot programme (i.e. 8,000,000 litres for two years). The Government is undergoing an open tendering exercise for the next B5 supply contract which aims to commence on 1 August to dovetail the second contract. EPD will continue to engage more B/Ds to use B5 diesel under the next contract.

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

10. In line with 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 the use of 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. A brief summary of the situation is given below:

- (a) Ecopavers (concrete paving blocks using recycled glass as aggregates) - Public works and housing projects consumed 3,500 tonnes of recycled glass cullet in ecopavers of total area 174,700 m<sup>2</sup> in 2014.
- (b) EVs - 30 numbers of 5-seater and 4-seater EVs are now in use under public works contracts. Works departments have also specified the use

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<sup>3</sup> The seven participating departments include Correctional Services Department, Hong Kong Police Force, Drainage Services Department, Marine Department, Leisure and Cultural Services Department, EPD and GLD.

<sup>4</sup> 11 B/Ds include the seven participating departments of the second pilot programme, Food and Environmental Hygiene Department, Agriculture, Fisheries and Conservation Department, Water Supplies Department and Hospital Authority.

of 12 EVs and 18 EVs in public works contracts tendered in 2014 in 2015 respectively.

- (c) Low Emission Non-road Mobile Machinery (NRMM) – Development Bureau (DEVB) issued a technical circular in February 2015 mandating 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) Reclaimed Asphalt Pavement (RAP) - 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) Recycled Glass Cullets (RGC) - 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 and etc.
- (f) B5 diesel - A trial scheme was conducted in some public works contracts from late 2013 to mid-2014 for construction machinery including air compressors, generators, excavators, crawler cranes, crane lorries, rollers and trucks. A total of about 123,000 litres of B5 diesel was consumed in the scheme. Based on the positive feedback from the trial, DEVB is considering the wider use of B5 diesel as far as practicable in public works projects.

### **Advice sought**

14. The Government has been taking the lead to adopt a green procurement policy to set an example for the public and the business sector and the industry to follow. Initiatives to promote green procurement are being proceeded on multiple fronts. Members are invited to note the above latest developments and to advise on the way forward of government green procurement.

**Environmental Protection Department**  
**May 2015**