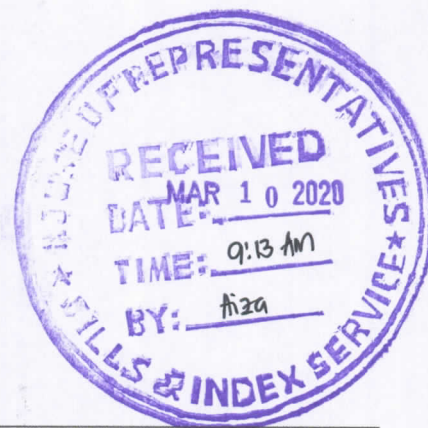


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6526



Introduced by HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

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.

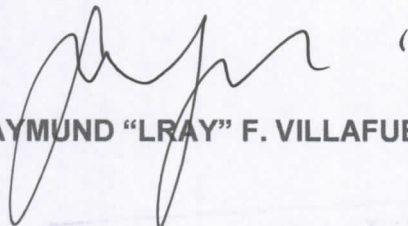
This policy which has gained traction in foreign jurisdictions under the concepts of "sustainable procurement", "green public procurement", or "green purchasing" involves a process whereby public organizations meet their needs for goods, services, works and utilities in a way that benefits not only the 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 life-cycle 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.

This bill is a House of Representatives counterpart to the bill filed by Senator Pia S. Cayetano at the Philippine Senate.

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


LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. ⁶⁵²⁶_____

Introduced by HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

AN ACT

**ESTABLISHING A GREEN PUBLIC PROCUREMENT PROGRAM FOR ALL
DEPARTMENTS, BUREAUS, OFFICES, AND AGENCIES OF THE GOVERNMENT**

Be it enacted by the Senate and House of Representatives of the Philippines in the Congress assembled:

Section 1. *Short Title.* - This Act shall be known as *Green Public Procurement Act*.

Sec. 2. *Declaration of Policy.* – The State recognizes that sustainable development is a necessary policy for nation-building, and its 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 achieving the seventeen (17) Sustainable Development Goals (SDGs) by 2030.

Guided by the SDGs and their targets, particularly SDG 12 which is on Sustainable Consumption and Production, 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.

Sec. 3. *Establishment of a Sustainable Procurement Program in all Government*

Agencies. – All government departments, offices, and agencies shall establish their respective Sustainable Procurement Program, which shall take into consideration the lowest life-cycle cost of products and services.

For purposes of this Act, "lowest life-cycle cost" means the lowest total cost of owning, operating and maintaining a product or service over its useful life, including fuel and water, energy, labor, and replacement components, determined on the basis of a systematic evaluation and comparison of alternative products and services.

The Sustainable Procurement Program shall likewise include a coding system for packaging materials and products to facilitate waste recycling and reuse as mandated in Article 4, Section 27 of Republic Act 9003 otherwise known as Ecological Solid Waste Management Act.

Sec. 4. Objectives of the Sustainable Procurement Program. – The Sustainable Procurement Program shall have the following objectives:

- a) To promote the culture of making sustainable and informed decisions in government, especially in the purchase and use of different products;
- b) To include sustainability criteria in public tenders, whenever possible and practicable;
- c) To establish the specifications and requirements for products of services to be considered sustainably advantageous; and
- d) To develop programs for suppliers of sustainable products and services.

Sec. 5. Submission to Government Procurement Policy Board. – All agencies shall submit their respective Sustainable Procurement Programs to the Government Procurement Policy Board (GPPB) within six (6) months from the effectivity of this Act. Such Program shall be fully implementable within eighteen (18) months from effectivity of this Act. The GPPB shall in turn submit a regular report to the Congress of the Philippines on the performance and compliance of the different agencies with this Act.

Sec. 6. Third-Party Verification. – The GPPB shall appoint a competent third-party verifier of claims of sustainability of products and services. The third-party verifier shall provide a list of all certified sustainable products, which shall be updated regularly to reflect additions or deletions based on criteria to be established by the GPPB.

Sec. 7. Capacity-Building of Government Agencies. – The GPPB shall provide the necessary technical assistance to assist government agencies in understanding and implementing Sustainable Public Procurement.

Sec. 8. Implementing Rules and Regulations. – Within thirty (30) days from the effectivity of this Act, the GPPB shall promulgate and issue the necessary guidelines for the effective implementation of this Act. The implementing rules and regulations issued pursuant to this section shall take effect thirty (30) days after its publication in two (2) national newspapers of general circulation.

Sec. 9. Separability Clause. If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

Sec. 10. 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.

Sec. 11. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,