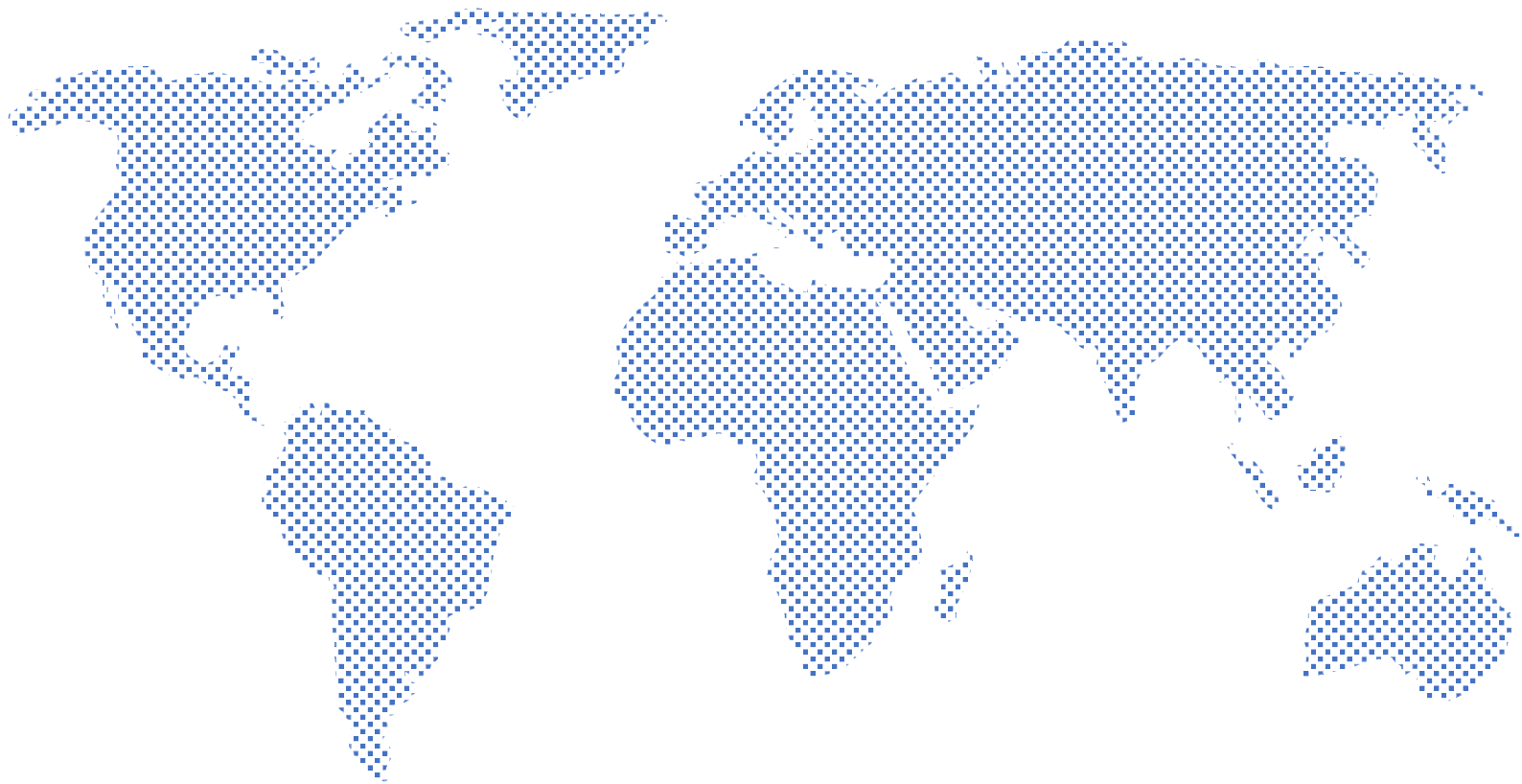


ANALYSIS STUDY

National Green Public Procurement and Environmental Labels in Cambodia, Lao PDR, Myanmar, Vietnam, and Bhutan



The Proliferation of Sustainable Consumption and Production (SCP) in Asia –
the Next 5 Countries (SCP Outreach)



Published by

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
GmbH

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March 2021

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ACRONYMS

ASEAN	Association of Southeast Asian Nations
BSB	Bhutan Standards Bureau
CB	Certification Body
CCCSP	Cambodian Climate Change Strategic Plan
CDB	Construction Development Board
CDC	Council for Development of Cambodia
CESID	The Central Equipment Statistics & Inspection Department, Myanmar
CPA	Consumer Protection Act of Bhutan
CPL	Consumer Protection Law
CSDGs	Cambodia Sustainable Development Goals
DACU	Development Assistance Coordination Unit
DAP	Myanmar Development Assistance Policy
DCSI	Department of Cottage & Small Industries
DNB	Department of National Budget
DNP	Department of National Properties
DOSM	Department of Standardization and Metrology
ECD	Environmental Conservation Department, Myanmar
ECL	The Environmental Conservation Law, Myanmar
EIA	Environmental Impact Assessment
ENR	Environment and Natural Resources Code of Cambodia
FYP	Five-Year Plan
GDP	Gross Domestic Product

GDPP	General Department of Public Procurement, Cambodia
GGNSC	Green Growth National Steering Committee, Lao PDR
GNH	Gross National Happiness
GNHC	Gross National Happiness Commission
GOM	The Government of Myanmar
GPP	Green Public Procurement
GPPMD	Government Procurement & Property Management Division
GSSD	General Secretariat of National Council for Sustainable Development, Cambodia
ICE	International Currency Exchange
IEC	The International Electrotechnical Commission
ISC	Institute of Standards of Cambodia
ISO	International Organization for Standardization
RGC	Royal Government of Cambodia
RS-IV	Rectangular Strategy Phase IV, Cambodia
MAF	Ministry of Agriculture and Forestry, Lao PDR
MARD	Ministry of Agriculture and Rural Development
MEF	Ministry of Economy and Finance, Cambodia
MEM	Ministry of Energy and Mines, Lao PDR
MIC	The Myanmar Investment Commission
MOE	Ministry of Environment, Cambodia
MOEA	Ministry of Economic Affairs
MOF	Ministry of Finance
MOIT	Ministry of Industry and Trade
MONRE	Ministry of Natural Resources and Environment
MONREC	Ministry of Natural Resources and Environmental Conservation, Myanmar

MOP	Ministry of Planning, Cambodia
MOPFI	Ministry of Planning, Finance & Industry, Myanmar
MOST	Ministry of Science and Technology
MPI	Ministry of Planning and Investment
MTF	Marrakech Task Force
NAP	National Programme on Sustainable Consumption and Production
NEC	National Environment Commission
NEPA	National Environment Protection Act
NKRAs	National Key Result Areas
NPSCP	National Council for Sustainable Development, Cambodia
NTP	National Target Program
NSEDP	National Socio-Economic Development Plan, Lao PDR
NSDP	National Strategic Development Plan, Cambodia
PDCM	Department of Pollution Control and Monitoring, Lao PDR
PEFC	Programme for the Endorsement of Forest Certification
PFA	Public Finance Act
PFM	Public Financial Management
PPRRSC	The Public Procurement Rules & Regulations Steering Committee
QIP	Qualified Investment Project
RAA	Royal Audit Authority
SAMD	State Asset Management Department
SBD	State Budget Department
SCP	Sustainable Consumption and Production
SCPTWG	Sustainable Consumption and Production Technical Working Group
SDG	Sustainable Development Goal

SIA	Social Impact Assessment
SME	Small and Medium-sized Enterprises
SNEC	Supreme National Economic Council
SPP	Sustainable Public Procurement
VGLP	Vietnam Green Label Program

CHAPTER 1: INTRODUCTION

Climate change has been identified as one of the greatest challenges facing nations, governments, businesses, and citizens over the coming decades. Climate change has implications for both human and natural systems and could lead to significant changes in the use of resources, production processes and economic activity. In response to this challenge, international, regional, national, and local initiatives are being developed and implemented to promote sustainable consumption and production (SCP) as part of an overall plan to limit the concentration of greenhouse gases (GHG).

Sustainable consumption and production (SCP) is one of the Sustainable Development Goals (SDGs), which together form a set of universal goals aimed at addressing the urgent environmental, political, and economic challenges facing the world. SCP is a vital aspect of tackling climate change by reducing greenhouse gas emissions through improved resource efficiency along the value chains. SCP policy development is an approach currently being taken by many Asian governments. SCP can be easily applied to the ideas of 'Green Growth' and arriving at a 'Green Economy' especially in the fields of 'Green Public Procurement (GPP)' and 'Ecolabelling'.

GPP and ecolabelling are effective tools for increasing sustainability in consumption and production, which in turn leads to a decrease in carbon emissions at the same time. Recently, these tools have become more important in the region. However, while some countries have applied GPP and eco-labelling, their implementation is still below the required levels due to a lack of the supporting policies, legal frameworks and requirements, public awareness, and the availability of existing systems such as the use of eco-labelling as a tool for the development of GPP criteria. Therefore, this study aims to promote GPP in the Asian region, with the five countries of Cambodia, Lao PDR, Myanmar, Vietnam, and Bhutan selected to be the case studies. Moreover, the legal frameworks, the technical and institutional capacities for strengthening development and applying policies, and the tools of GPP and ecolabels are reviewed in the target countries at the institutional level. The project will also be adapted to the different contexts and needs of each target country to ensure that the measures are in line with the countries' interests and priorities.

Objectives of this study

The objectives of this study are to review and analyze SCP and GPP policies, including their current status and the ecolabel certification situation in 5 countries: Cambodia, Lao PDR, Myanmar, Vietnam, and Bhutan.

Scope of study

The scope of the current study is to review and analyze the current SCP, GPP and Environmental Labels (Ecolabels) situation of five target countries with a focus on the 5 aspects as shown below:

Aspect 1: Policies and legislative documents

To review current policies and legislative documents and identify the policies and legislative documents relevant to supporting the GPP system and SCP in the country

Aspect 2: Public procurement institutional arrangement

To review the institutional mapping related to the implementation of SCP and GPP, analyze the public procurement institutional landscape, and identify stakeholder roles and influence, including inter-institutional coordination mechanisms such as incentive and financial instruments

Aspect 3: Public procurement process and operational mechanism

To review the (Green) public procurement process and operational mechanism (e.g. linkages, monitoring, evaluation, etc.)

Aspect 4: Environmental label¹

To review the environmental and sustainability² labels in each country and identify the certification scheme procedures, criteria, and certified products of the relevant eco-labelling certifying bodies

Aspect 5: Market

To review each target country's economy and identify major local/national industries (main production and consumption categories), import/export volumes, major market players, household expenditure, etc.

¹ Environmental labelling or Ecolabelling is a voluntary method of environmental performance certification and labeling. An environmental label or ecolabel identifies products or services proven to be environmentally preferable within a specific category (GEN, 2012).

² Sustainability labelling encompasses economic, environmental and social aspects (Nicolien van der Grijp, 2002).

CHAPTER 2: METHODOLOGY

2.1 Desk Research Phase

To identify the process and operational mechanism, the public procurement institutional landscape, and stakeholder roles and influence, including inter-institutional coordination mechanisms, a review of relevant literature is conducted with the aim of assessing the extent of legal certainty for pursuing GPP in each country. The literature reviewed includes national policies and legal documents, national procurement-specific documents as well as pertinent national laws. In addition, the national procurement rules and laws that directly govern public procurement will be reviewed. Moreover, a desk review of the eco-labelling certifying bodies is conducted to identify their certification scheme procedures, criteria, and certified products and to determine how these are applied to support green procurement. The last aspect to be reviewed will be information on each country's economy, production and consumption capacity, which then enables the identification of the country's major local/national industries (main production and consumption categories), import/export volumes, major market players, household expenditure, etc. These findings can then be used to identify the priority products that should be encouraged to commence green production, eco-labelling certification and listing under green product procurement.

2.2 Preparing the Draft of the Questionnaire and the Interview Phase

To gather the data needed to answer the research questions, interviews are conducted in the local language with staff from selected key agencies that have relevant roles and power in public procurement throughout its operational mechanism.

The key agencies chosen for participation were selected based on the following criteria:

- Their role relevant to GPP
- Their power to implement specific GPP initiatives
- Their role as an eco-labelling certifying body (if available)

2.3 Group Discussion and PEST Analysis

After collecting the information from a review of related literature and the responses from the interviews, a group discussion takes place to analyze the results using PEST analysis, which takes into consideration political, economic, social, and technological factors.

2.4 Conclusion and Reporting

Thailand Environment Institute Foundation (TEI) prepares the draft report and presents it to the project team and partners in each country in order to share the results of the analysis as well as the observations before gathering final feedback/comments. All feedback/comments were then taken into consideration for revising or improving the final report.

CHAPTER 3: Country Analysis Study

3.1 Cambodia

Cambodia has committed to the pursuit of the 2015 Sustainable Agenda of achieving the Sustainable Development Goals (SDGs). The Royal Government of Cambodia (RGC) has fully adopted those goals into the national context with a localized framework of Cambodian SDGs (CSGs), which comprises 18 CSDGs, 88 nationally relevant targets, and 148 globally and locally defined indicators. The National Committee for Sustainable Development (NCSD) fosters initiatives aimed at facilitating the development and implementation of a policy strategy for sustainable development, including in relation to climate change, green growth, natural resources, biodiversity, and environmental protection, in order to achieve long-term environmental sustainability. Green Public Procurement is a part of Sustainable Consumption and Production, which is mentioned in the Environment and Natural Resources Code (ENR Code), which is still being drafted. The process of public procurement follows the Law of Public Procurement (March 2011). The Ministry of Economy and Finance (MEF) is the competent institution that governs public procurement and has the right and power over the development of public procurement policy and has its headquarters at the General Department of Public Procurement (GDPP), from which it oversees all public procurement activities.

This study of Green Public Procurement and environmental labels in Cambodia analyzes the enabling factors (policies and legislative documents, institutional arrangement, GPP implementation mechanism, environmental labels, and market status) with the objective of determining the potential for implementing GPP and environmental labels. The results of the analysis of these enabling factors are described in 5 aspects in following sections.

Aspect 1: Policies and Legislation

Incorporating the Sustainable Development Goals into Cambodia's national planning and policy framework, the **CSDG Framework** alongside the Political Platform of the Royal Government of Cambodia (RGC) are set out in the **Rectangular Strategy Phase IV (RS-IV)** and **Cambodia Vision 2050**, which provide the basis for the **National Strategic Development Plan (NSDP)** 2019-2023. This is matched by Cambodia's commitment to sustainability, to developing while also protecting the nation's abundant natural capital for current and future generations, and to playing a part in combating climate change through the **Cambodian Climate Change Strategic Plan (CCCSP)** 2014-2023.

The CSDG Framework has four specific objectives³:

- (i) Presentation of the national goals, targets, and indicators based on Cambodia's priorities;
- (ii) Identification of the agencies responsible for oversight and conducting activities to achieve the targets and monitoring schedules;
- (iii) Identification of data sources for each indicator, and the data cycle, with provision of working definitions and methods for calculating indicators;

³ Cambodia Sustainable Development Goals Framework (2016-2030) (Ministers, 2018)

- (iv) Presentation of pathways towards achievement of targets, setting (2015) national baselines, setting annual (or cycle-based) target values, and the implementation at sub-national level.

Moreover, the **National Green Growth Roadmap** – a part of CSDG and CCCSP that emphasizes ecologically-sustainable economic progress to foster low-carbon, socially inclusive development – aims at improving resilience to adverse impacts, whilst choosing low-carbon options for “green growth” to mitigate and adapt to a changing climate. **The roadmap includes interventions for short- and medium-term targets that relate to the green industry based on resource efficiency and 3R strategies** which are **guided by the Industrial Development Policy** for driving the development of the industrial sector. This can contribute toward maintaining sustainable and inclusive high growth of an economy in which the green technology industry is one of the priority sectors.

The Cambodian Ministry of Environment has been drafting *the Environment and Natural Resources Code (ENR Code)* since 2015 and it has now reached the stage of version 11.1 for certain sections. The ENR Code is firstly drafted in order to enable Cambodia to achieve sustainable development by protecting the environment and conserving, managing, and restoring natural and cultural resources. Secondly, efforts are needed to mitigate the effects of rising temperatures. It was expected that the Government will finalize and adopt this new legislation in 2019 although the process still remains uncertain. The ENR Code covers a large variety of areas and will provide higher levels of environmental protection, openness and accountability than is the case with virtually all of Cambodia’s existing laws, of which sustainable consumption and production are one part.

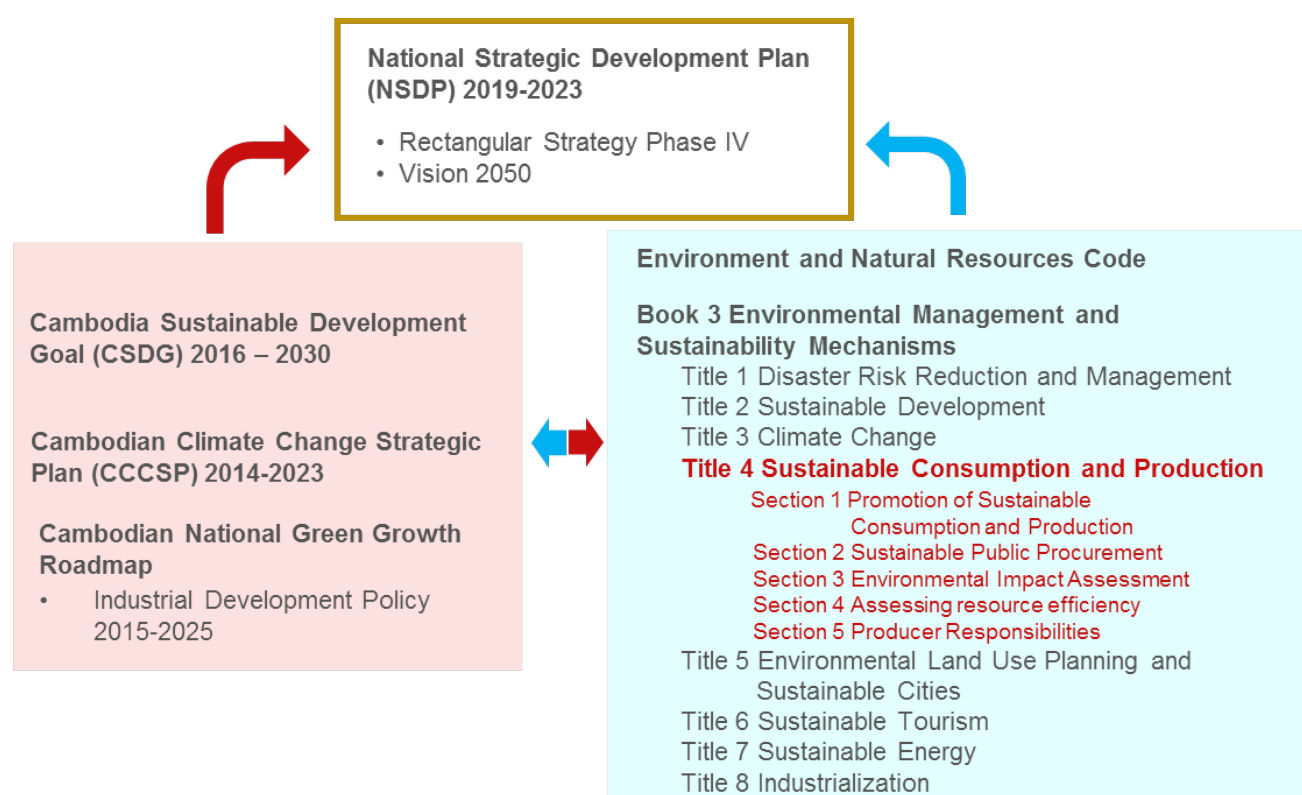


Figure 1 Matching sustainable consumption and production with the policies and legislative framework of Cambodia

Sustainable consumption and production is mentioned in Book 3 of the Environmental Management and Sustainability Mechanisms under Title 4 of the ENR Code (version 9.1, 2017)⁴. The ministry or institution responsible for the environment, with the endorsement of the National Council for Sustainable Development, shall coordinate with other relevant ministries or institutions to develop relevant policy documents on SCP. The details specifying the promotion of SCP are in Section 1 as follows.

SECTION 1

PROMOTION OF SUSTAINABLE CONSUMPTION AND PRODUCTION

ARTICLE 198 SUSTAINABLE CONSUMPTION

The ministry or institution responsible for environment, with the endorsement of the National Council for Sustainable Development, shall coordinate with other relevant ministries or institutions to develop relevant policy documents on sustainable consumption. Such policy documents shall include but not be limited to:

- a) Programs to improve environmental performance of consumption patterns, including through the increased supply and demand for more environmentally friendly products, services, and technologies; and
- b) Policies to engage the private sector, civil society organizations, the relevant ministries or institutions, and citizens and promote more resource-efficient and less environmentally damaging consumption, including but not limited to areas of water and energy consumption, hazardous waste generation, waste management, tourism, and infrastructure development.

ARTICLE 199 SUSTAINABLE PRODUCTION

The ministry or institution responsible for environment, with the endorsement of the National Council for Sustainable Development, shall coordinate with other relevant government ministries or institutions, including the ministry or institution responsible for industry, to develop relevant policy documents on sustainable production. Such policy documents shall include but not be limited to:

- a) Programs to improve environmental performance of products and production practices; and
- b) Policies to engage the private sector, civil society organizations, the relevant ministries or institutions, and citizens and promote more resource-efficient and less environmentally damaging production.

Source: Environment and Natural Resources Code of Cambodia (Draft 9.1)

⁴ Environmental and Natural Resources Code of Cambodia (Draft 9.1, 25 July 2017) (National Assembly of the Kingdom of Cambodia, 2017)

Furthermore, the relevant agencies shall develop a program for environmental technology verification applicable to environment technologies and make publicly available a register of verified environmental technology, in accordance with the access to environmental information provisions according to articles 200 and 201, respectively.

ARTICLE 200 ENVIRONMENTAL TECHNOLOGY VERIFICATION

The ministry or institution responsible for environment, in coordination with the ministry or institution responsible for industry, and other relevant ministries or institutions, shall develop a program for environmental technology verification applicable to environmental technologies, including but not limited to technologies used by industry, forestry, agriculture, mining, service industries, and households. This program shall be based on international good practices in environmental technology verification.

ARTICLE 201 REGISTER OF VERIFIED ENVIRONMENTAL TECHNOLOGY

The ministry or institution responsible for environment, in cooperation with the ministry or institution responsible for industry and other relevant ministries or institutions, shall develop and make publicly available a register of verified environmental technology, in accordance with the access to environmental information provisions in Book 1 Title 3 of this Code.

Source: Environment and Natural Resources Code of Cambodia (Draft 9.1)

The sustainable procurement mentioned in Book 3 of the Environmental Management and Sustainability Mechanisms under Title 4 of the ENR Code states that NCSD shall develop a legal instrument on sustainable procurement. The details are in article 202 as follow.

ARTICLE 202 LEGAL INSTRUMENT ON SUSTAINABLE PROCUREMENT

The National Council for Sustainable Development, in cooperation with the ministry responsible for economy and finance, shall develop a legal instrument on sustainable procurement focusing on the inclusion of environmental criteria during the process of procuring goods, services, works, and utilities while achieving value for money on a whole life-cycle basis to minimize the environmental burden from consumption and facilitate demand for environmentally friendly products and services.

Such legal instrument shall be based on relevant international standards.

Source: Environment and Natural Resources Code of Cambodia (Draft 9.1)

In the latest version of the ENR Code 11.1.2018 (in Khmer), Book 3 has been revised. However, it has not clearly defined sustainable production and consumption. Sustainable procurement, which is still in section 2, states that in the case of business and finance, the NCSD, in cooperation with the Ministry of Accreditation and Ministry of Commerce, must prepare a legal document on the sustainability of the business and finance sectors including the procedures to achieve sustainability⁵.

⁵ Draft Environment and Natural Resources Code: 11th Draft (Khmer) (Draft Environment and Natural Resources Code: 11th Draft (Khmer), 2019)

Aspect 2: Institutional Arrangement

This section will provide a summary of the institutional arrangements developed to achieve the National SDGs and sustainable public procurement. This section is divided into three institutional arrangements; *inter-ministerial coordination*, which consists of the main organization mandating the facilitation and cooperation on sustainable development issues; *inter-institutional coordination*, which promotes the stakeholders to implement any activity that can support the SDG output; and the *institutional arrangements of public procurement* in order to understand how public procurement operates. The institutional arrangements will give more understanding on further sustainable or green public procurement implementation.

Cambodia's Approach to Inter-Ministerial Coordination

Cambodia has established the National Council for Sustainable Development (NCSD) with a mandate of facilitating cooperation on sustainable development issues, particularly for climate change (SDG 13), the green economy (SDGs 11 and 12), and biodiversity (SDGs 14 and 15), as well as with strong linkages to SDG 9 (for innovation and technology for sustainable development) and SDG 7 (for clean energy aspects).

The NSCD also needs to coordinate with the institutions in charge of the overall development of policy and strategies, namely the Supreme National Economic Council (SNEC), the Ministry of Economy and Finance, and the Ministry of Planning.

The NCSD is hosted by the Ministry of Environment (MOE) and chaired by the Prime Minister with 34 members from line ministries and 25 governors of provincial capital's governing bodies. Under the NCSD, coordination of the climate change response is the most advanced, with an operational technical working group bringing together focal points from all concerned institutions and serving as an interface for the coordination of technical and financial assistance from development partners. Important inter-ministerial work has already been delivered, including joint work with the Ministry of Economy and Finance on the economic impacts of climate change as well as joint work with the Ministry of Education, Youth and Sport on the integration of climate change in the education curriculum.

Moreover, to promote green development and sustainable consumption and production in Cambodia, the Department of Green Economy under the Ministry of Environment has been assigned to be the General Secretariat of the National Council for Sustainable Development (GSSD) and mandated to look at national policies and strategic plans, undertake projects, and mobilize resources.



Figure 2 Institutional coordination to facilitate on SDG 12

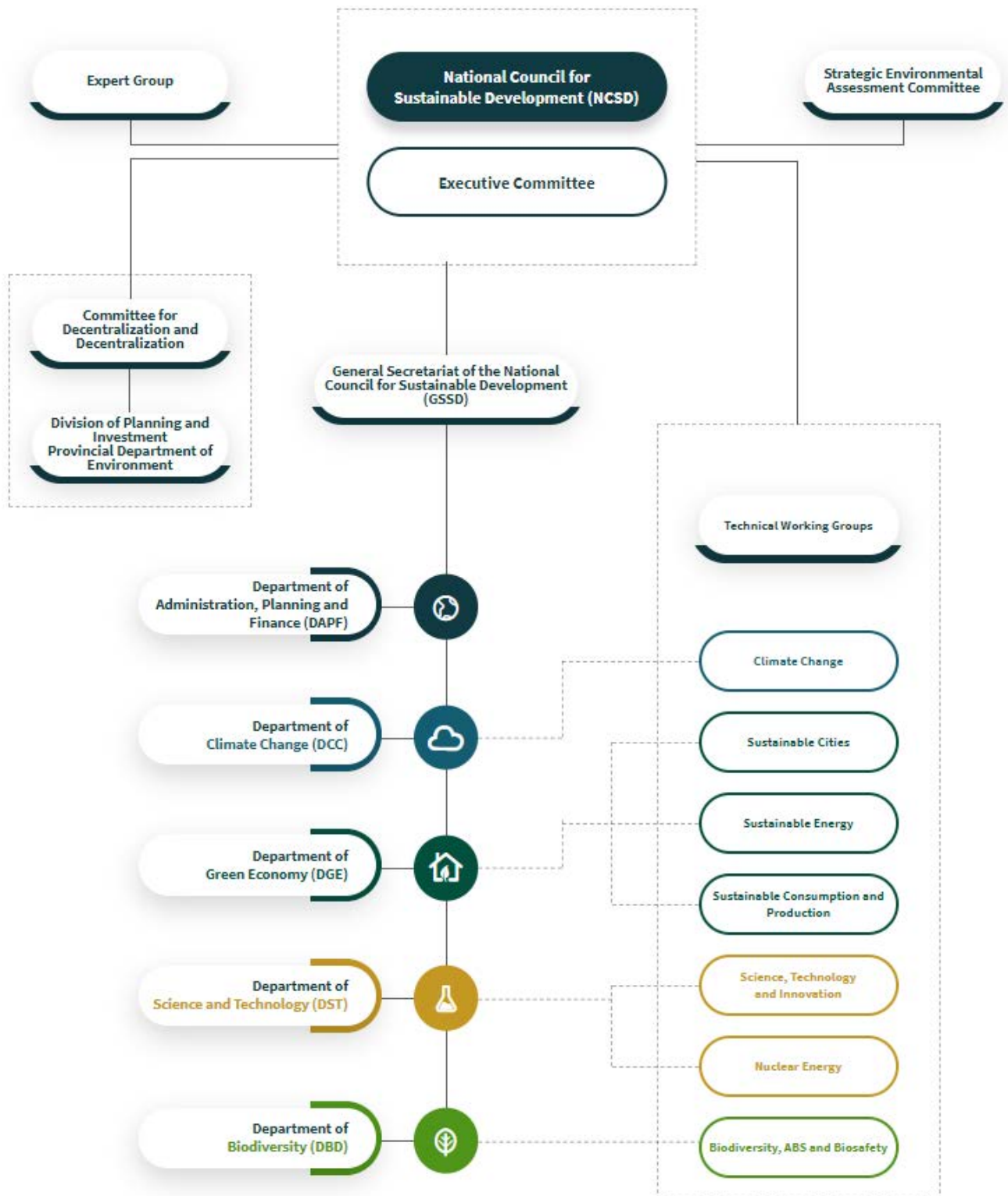


Figure 3 National Council for Sustainable Development (NCSD) Structure (NCSD Organizational Chart, 2019)

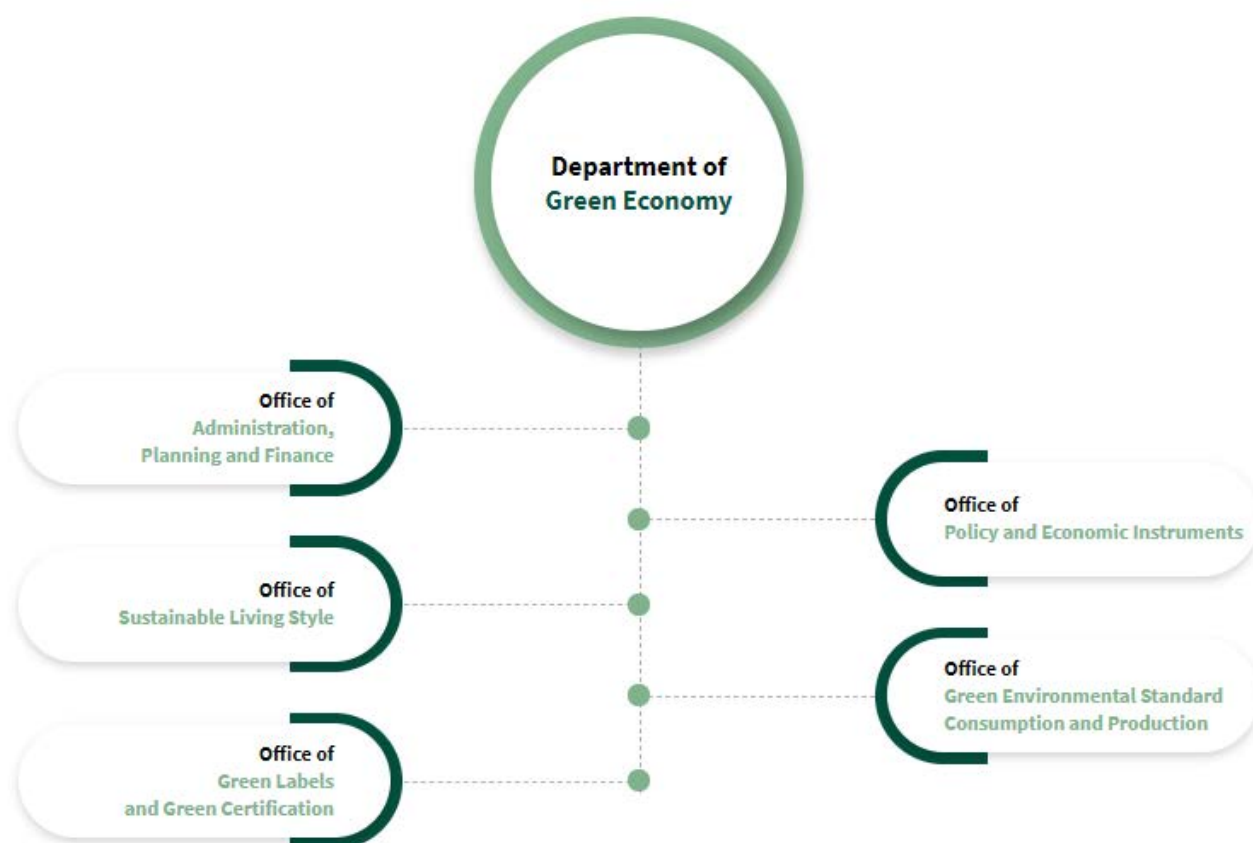


Figure 4 Department of Green Economy Structure (Department of Green Economy, 2019)

Importantly, the most relevant structure to support SCP is under the Department of Green Economy, consisting of five offices (refers to Figure 4) with various responsibilities as follows:

- Coordinate and implement legal documents, policies, strategic plans, action plans, programs and projects for supporting the green economy pathway as well as monitoring and evaluating these activities for inclusion in the annual report
- Coordinate research on related impacts and benefits of development activities on the economy, environment, society and culture
- Coordinate natural capital accounting and measure green domestic products
- Coordinate the feasibility study and establish a polluter pays principle mechanism and payment channel for environmental services, and coordinate, monitor and evaluate the implementation of the agreed mechanism
- Coordinate research and establish supporting tool system for decision making such as impact assessment, multicriterial analysis, and cost-benefit analysis to contribute to the modification or establishment of legal documents, policies, strategic plans, action plans, programs and projects
- Research and develop policies and mechanisms related to SCP, such as green label certification, green public procurement, and green certification, as well as the monitoring and evaluation of the agreed mechanism
- Build and strengthen cooperation with partners, civil society organizations, private sector entities, academic institutes, and other stakeholders to promote green economy development
- Disseminate and mobilize resources for the implementation of agreed policies

In addition, the SCP Technical Working Group (SCPTWG) is one of the groups of experts operating under the NCSD to facilitate and participate in policy, strategy and roadmap preparation related to SCP. The working group's important role in relation to GPP is to develop and oversee the guidelines, evaluate sustainable public and private procurement, award certification, and process certificates as well as motivating public users with regard to ecolabeling. This working group consists of various organization as follow:

1. Deputy Secretariat of the NCSD as the Chair
2. Head of the Green Economy Department as the Deputy Chair
3. Head of the Technical and Public Relations of CAMCONTROL Department, Ministry of Commerce as the Deputy Chair
4. Deputy Head of Technical, Safety, Industry of General Department, Ministry of Industry, Science, Technology, and Innovation as the Deputy Chair
5. Head of Climate Change Department, NCSD as a member
6. Head of Science and Technology, NCSD as a member
7. Head of Reward and Motivation, Directorate General of Knowledge and Environment, Ministry of Environment as a member
8. Head of Investment Plan of Directorate of Planning, Ministry of Planning as a member
9. Head of Environment Evaluation Department, Cambodia Investment Committee, Cambodia Council of Cambodia as a member
10. Deputy Head of Waste Management Department, Environment Protection Directorate, Ministry of Environment as a member
11. Deputy Head of Air and Sound Control Department, Environment Protection Directorate, Ministry of Environment as a member
12. Deputy Head of Water Quality Management, Environment Protection Department, Ministry of Environment as a member
13. Deputy Head of Renewable Energy Department, Ministry of Mine and Energy as a member
14. Deputy Head of City, Province and Administration Department, Ministry of Interior as a member
15. Deputy Head of Urbanization Department, Ministry of Land Management, Urban Planning and Construction as a member
16. Deputy Head of Planning and Statistic Department, Ministry of Agriculture, Forestry and Fisheries as a member
17. Deputy Head of General Education Department, Ministry of Education, Youth and Sport as a member
18. Deputy Head of Community Livelihood Department, Ministry of Environment as a member
19. Chief Office, of Dangerous Management Department, Ministry of Environment as a member
20. Chief Office, Evaluation City Department, Ministry of Tourism as a member
21. Chief Office of Research and Macro Policy Economy, Ministry of Economy and Finance as a member
22. Chief Office of Green Economy Department, NCSD as a member
23. Deputy Chief Office of Environment Education Department, Ministry of Environment as a member
24. Chief Office of Green Economy Department, NCSD, Ministry of Environment as a member

Inter-Institutional Coordination

▪ Council for the Development of Cambodia (CDC)

The highest decision-making level of the government for private and public sector investment, the CDC is chaired by the Prime Minister and composed of senior ministers from related government agencies⁶. In addition to reviewing applications for investment incentives, the mission of the CDC is to promote and facilitate foreign and local investments. In order to accomplish this goal, it is charged with several functions:

- To provide information to potential investors;
- To review investment applications and grant incentives;
- To monitor investment projects after implementation;
- To provide after-care service to investors following their project's implementation; and
- To provide a platform for the private sector to participate in policy dialogue with the government through its bi-annual Government-Private Sector Forum.

There are few investment incentives are provided, one of them is ***Investment Incentives Granted to a Qualified Investment Project (QIP)***. QIPs are entitled to the following investment incentives ("Amended Law on Investment")⁷:

- QIPs may elect to receive a profit tax exemption or use special depreciation.
- Profit tax exemption (Selective): A tax holiday period is composed of "Trigger period" + 3 years + Priority Period (Maximum total 9 years)

Projects Eligible for the Incentives

Section 2 of Annex 1 of the Sub-Decree No.111 also sets the minimum amount or other conditions of investment projects in various fields, which are required for granting the incentives. Some of those requirements are shown in the following table.

Table 1 Minimum Conditions Required for the Provision of Incentives

Fields of Investment	Requirement for Investment
Supporting industry, which has its entire production (100%) supplying export industry	US\$100,000- or more
Production of animal feed	US\$200,000- or more
<ul style="list-style-type: none">• Production of leather products and related products• Production of all kinds of metal products• Production of electrical and electronic appliances and office materials• Production of toys and sporting goods• Production of motor vehicles, parts and accessories• Production of ceramic products	US\$300,000- or more

⁶ The Council for the Development of Cambodia (CDC), Who We Are (CDC, 2017)

⁷ The Council for the Development of Cambodia (CDC), Investment Incentives (CDC, 2017)

<ul style="list-style-type: none"> · Production of food products and beverages · Production of products for textile industry · Production of garments, textiles, footwear and hats · Production of furniture and fixtures that do not use natural wood · Production of paper and paper products · Production of rubber products and plastic product · Clean water supplies · Production of traditional medicines · Freezing and processing of aquatic product for export · Processing of any kind of cereals and crop products for export 	US\$500,000- or more
Production of chemicals, cement, agriculture fertilizer and petrochemicals Production of modern medicines	US\$1,000,000- or more
Construction of modern market or trade center	US\$2,000,000- or more More than 10,000 square meters Adequate space for car park
Training and educational institutes that provide training for skill development, technology or poly technology that serves industries, agriculture, tourism, infrastructure, environment, engineering, sciences and other services	US\$4,000,000- or more
International trade exhibition center and convention halls	US\$8,000,000- or more

▪ **Ministry of Industry, Science, Technology and Innovation**

In January 2020, the Royal Government of Cambodia officially approved the change of name of the Ministry of Industry and Handicraft to the “Ministry of Industry, Science, Technology and Innovation” through Notification No. 139 issued by the Office of the Council of Ministers⁸. The objective of the institutional change was made in order to accompany the growth of Cambodian industries in keeping pace with the fast-growing technology of the Industrial Revolution 4.0. The institutional changes will comprise of the following:

- Amendment of related laws and regulations in order to govern the organisation and functioning of the new ministry.
- Establishment of two new support units: (1) the General Department of Science, Technology and Innovation, and (2) the National Institute of Science, Technology and Innovation.
- Career opportunities in the two newly established General Departments for officials and graduates in the field of Science and Technology field as well as for those interested in Innovation.

To that effect, the Law on Establishment of the Ministry of Industry, Science, Technology and Innovation was promulgated by Kram No. NS/RKM/0320/009 dated 24 March 2020. The Sub-Decree No. 48 on Organisation and Functioning of the Ministry of Industry, Science, Technology and Innovation was also adopted and entered into force.

⁸ Change of Name and Mandate of the Ministry of Industry and Handicraft (Khieu Mealy, 2020)

- **Ministry of Mines and Energy** represents the Royal Government on missions to lead and manage the mining and energy sectors, including the oil, gas, and electricity sectors of the Kingdom of Cambodia. The Ministry has the mission of appropriately preparing and implementing policies, legal frameworks, and regulations.
- **Department of Pollution Control** has the overall responsibility for the national monitoring and evaluation of the SDG 12 targets in Cambodia. Under the MOE, the Department of Pollution Control along with the Environment Departments of municipalities are responsible for waste management.
- **National Council for Sustainable Development (NCSD)**
The NCSD oversees the country's efforts to promote sustainable development and to ensure the economic, environmental, social and culture balance of the nation. The NCSD is mandated to prepare, coordinate and monitor the implementation of relevant policies, strategies, legal instruments, plans, and programs in all areas of sustainable development and to monitor and report on Cambodia's implementation of its international commitments to the respective international bodies.

The Institutional Arrangement for Public Procurement



Figure 5 Institutional Structure of Public Procurement in Cambodia

The institutional arrangement for Public Procurement in Cambodia is presented in Figure 5. The Ministry of Economy and Finance (MEF) is the competent institution that governs public procurement and has the right of and power over the development of public procurement policy. From its Headquarters at the General Department of Public Procurement (GDPP), it oversees all public procurement activities.

The GDPP is responsible for⁹:

- Developing, implementing, and monitoring the implementation of public procurement policies and related legal documents
- Supervising and monitoring all public procurement activities carried out by procurement enforcement agencies
- Reviewing and commenting on the procurement plan list of procurement institutions
- Examining and issuing bidding documents
- Reviewing and commenting on proposals for procurement principles and procedures
- Managing and monitoring the implementation of procurement contracts of procurement institutions
- Managing the bidders' list
- Participating in resolving procurement disputes
- Providing training on the implementation of the rules and regulations of Public Procurement Law and other relevant legal documents to procurement officers of procurement enforcement agencies and other relevant officials.

The General Department of Public Procurement has the following structure:

- *The Department of Personnel Administration and Planning* works on the preparation of policies and legal documents related to public procurement, including Bidder, procurement plans and procurement contracts management works.
- *The Department of Construction and Services Procurement Management* oversees procurement management, including construction services and consulting services implemented by ministries, institutions, public enterprises, public institutions, administrations, and other government entities.
- *The Department of Goods Procurement Management* oversees the management of the procurement of goods carried out by ministries, institutions, public enterprises, public institutions, administrations, and other government entities.
- *The Department of Sub-National Administrative Procurement Management* oversees the procurement of goods, construction, and services implemented by sub-national administrations.
- *The Department of Dispute Management and Resolution* oversees the inspection and resolution of disputes relates to public procurement.

Aspect 3: GPP Implementation Mechanism

The Ministry of Economy and Finance (MEF) is the competent institution that governs public procurement and has the right of and power over the development of public procurement policy. From its Headquarters at the General Department of Public Procurement (GDPP), it oversees all public procurement activities.

Planning & Budgeting

All procuring entities shall develop an annual procurement plan. The procurement plan shall be consistent with the annual approved budget envelop. All spending projects that require procurements shall be

⁹ GDPP (GDPP, 2021)

recorded in the procurement plan. If a project is not recorded in the plan, spending on that project will not be permitted. The procedure for developing a procurement plan shall be determined by a Prakas of the Minister of MEF (refers to Law on Public Procurement Article 31¹⁰). The Department of Budgeting is granted the rights as the delegated manager of ministries/institutions. The Minister of MEF can issue the Prakas on the Transfer of Authority to the Budgeting Unit of that ministry/institution to implement a procurement activity (refers to Law on Public Procurement Article 10)¹¹.

Method of Procurement

All procuring entities shall form a Procurement Committee to take charge of reviewing procurement plans and bidding documents, assessing and awarding contracts, supervising contract implementation, and addressing procurement complaints based on their competencies (refers to Law on Public Procurement Article 8¹²). The head of procuring entity shall be the Chair of the Procurement Committee. The procedure for establishing a Procurement Committee shall be determined by a Sub-Decree.

A procuring entity shall be equipped with a Procurement Unit (PU) with a clear structure and staffed with officers of adequate public procurement qualifications and who are given appropriate authority to be responsible for undertaking all public procurement activities. The PU is under the direct supervision of the head of the procuring entity and serves as an assistance unit to the Procurement Committee. The PU shall be led by a Unit Head who shall not hold any positions and responsibilities related to other financial aspects of his/her entity. The head of the PU is the Secretary of the Procurement Committee.

The procedures for the establishment, organization, and functioning of the PU shall be determined by a Sub-Decree. If the Department of Budgeting is granted the right as the delegated manager of ministries/institutions, the Minister of MEF can issue the Prakas on the Transfer of Authority to the Budgeting Unit of that ministry/institution to implement a procurement activity, if necessary (refers to Law on Public Procurement Article 9¹³).

The procuring entities are responsible for preparing the bidding documents which shall be verified by a Procurement Committee. The methods of procurement are:

1. **Public Competitive Bidding:** Open to domestic and international bidders (refer to Law of Public Procurement Article 11)
2. **Non-public Competitive Bidding:** (refer to Law of Public Procurement Article 12¹⁴) including:
 - a) Restricted Competitive Bidding is a procurement method for selecting suppliers, contractors, or service providers and is used for turn-key project procurement targets of *complex technical* nature where technical specifications cannot be set in advance and where *few bidders are qualified*. *This method requires pre-qualification exercises*.
 - b) Competitive Shopping is a procurement method for selecting suppliers, contractors, or

¹⁰ Law on Public Procurement, Chapter 7 Procurement Plan, page 10 (Law on Public Procurement, 2011)

¹¹ Law on Public Procurement, Chapter 3 The Responsibilities of Procuring Entity, page 4 (Law on Public Procurement, 2011)

¹² Law on Public Procurement, Chapter 3 The Responsibilities of Procuring Entity, Article 8, page 3 (Law on Public Procurement, 2011)

¹³ Law on Public Procurement, Chapter 3 The Responsibilities of Procuring Entity, Article 9, page 3 (Law on Public Procurement, 2011)

¹⁴ Law on Public Procurement, Chapter 4 Methods of Procurement of Goods, Works and Services, Article 12, page 5 (Law on Public Procurement, 2011)

service providers and is used when existing *procurement targets are readily available in local markets and of medium value*.

- c) Canvassing is a method for selecting suppliers, contractors, or service providers which is used when *procurement targets are readily available in local markets and of low value*.

3. **Non-Competitive Bidding:** This method can be used unless there is prior approval from the Ministry of Economy and Finance (refers to Law of Public Procurement Article 13¹⁵) including:

- a) Direct Contracting is a procurement method that requires *negotiations over price and technical specifications to be carried out directly with the suppliers, contractors, or service providers in one of the following circumstances*, where:

- The procurement target is single sourced.
- Competitive and public tender is not successful for the second time.
- There is an urgent need at times of natural disasters or other emergencies. There is not sufficient time for competitive bidding.
- Procurement is required for the purpose of research, experimentation, or development.

- b) Repeat Order is a procurement method that requires *negotiations over price and technical specifications to be carried out directly with suppliers, contractors, or service providers in circumstances*, where:

- The procurement target is the same as that in the initial contract obtained through bidding.
- The duration is not exceeding 6 months after the initial contracts become effective and is within the same budget year.
- The unit price is equal to or less than that of the initial contract.
- The total contract price is not exceeding 25% of that of the initial contract.

- c) Force Account is a procurement method that requires *negotiations over price and technical specifications to be carried out directly with the state agencies* that are equipped with sufficient resources, machinery, tools, materials, and labour force for executing the contract.

- d) Contracting with Communities is a procurement method that is used to encourage the participation of local communities and contribute to community development through the utilization of the local labour force, knowledge and materials.

Regarding the selection of the winning bidder, the Procurement Committee shall review and evaluate all bids confidentially. The conditions and criteria as stated in the bidding documents, information on objection complaints, and report of bids opening form the basis for evaluating and awarding a contract. Any additional conditions and criteria that are not set forth in the bidding documents shall not be permitted to be used for the evaluation. The Evaluation Procedures shall be determined by a Prakas of the Minister of Economy and Finance (refers to Law of Public Procurement Article 45¹⁶).

¹⁵ Law on Public Procurement, Chapter 4 Methods of Procurement of Goods, Works and Services, Article 13, page 5-6 (Law on Public Procurement, 2011)

¹⁶ Law on Public Procurement, Chapter 8 Procurement Implementation Procedures, Article 45, page 13 (Law on Public Procurement, 2011)

Monitor and Evaluate

The delivery and acceptance shall be appropriately made in accordance with the size, quantity, quality, and technical specifications and in compliance with the schedule of delivery and acceptance set forth in the contract and shall be under the supervision of the Procurement Committee. The procedure for establishing the Committee for Delivery and Acceptance shall be determined by a Prakas of the Minister of Economy and Finance (refers to Law on Public Procurement Article 59¹⁷).

The proposed mechanism for green public procurement implementation in Cambodia is presented in Figure 6. The green public procurement process can be initiated from the green product standard development by the Office of Green Environmental Standard Consumption and Production and the Office of Green Labels and Green Certification, where the Technical Committee or Verification Committee shall be comprised of representatives of stakeholders, like the Ministry of Industry, Science, Technology and Innovation or the Ministry of Environment. The procuring entity must develop the bidding documents or pre-qualification documents for the environmentally friendly product based on the green product standard which has been approved by the Technical Committee. Those prepared documents shall be submitted to the Procurement Committee for consideration of the documents' compliance with the (Green) public procurement law. The GDPP takes responsibility for overseeing all (Green) public procurement activities, including the monitoring and validation of the report submitted by the procuring entity.

According to ENR code version 11.1 2018 Section 3, Development of Environmental Standards, it is stated that the NCSD, in cooperation with ministries and related institutions, must set up environmental assessments in order to consolidate the efforts for the development, protection and conservation of the environment and natural resources. The label provides an indication of the current level of the product and service. The ministries and departments involved in determining the types of products and services shall develop their judgment and assessment of the nature of the assessment of the value of the application for the issuance of the remittance label, and shall also explain and conduct the audits and procedures of use. Determining the status, signage, status quo, and geographical information of current products and services of a particular type are defined by a legal document (Article 204-205). The list of products and services shall be developed by the secretary-general of the NCSD (Article 206¹⁸).

¹⁷ Law on Public Procurement, Chapter 9 The Procurement Contract, Article 59, page 16 (Law on Public Procurement, 2011)

¹⁸ ENR Code version 11 (Draft Environment and Natural Resources Code: 11th Draft (Khmer), 2019)

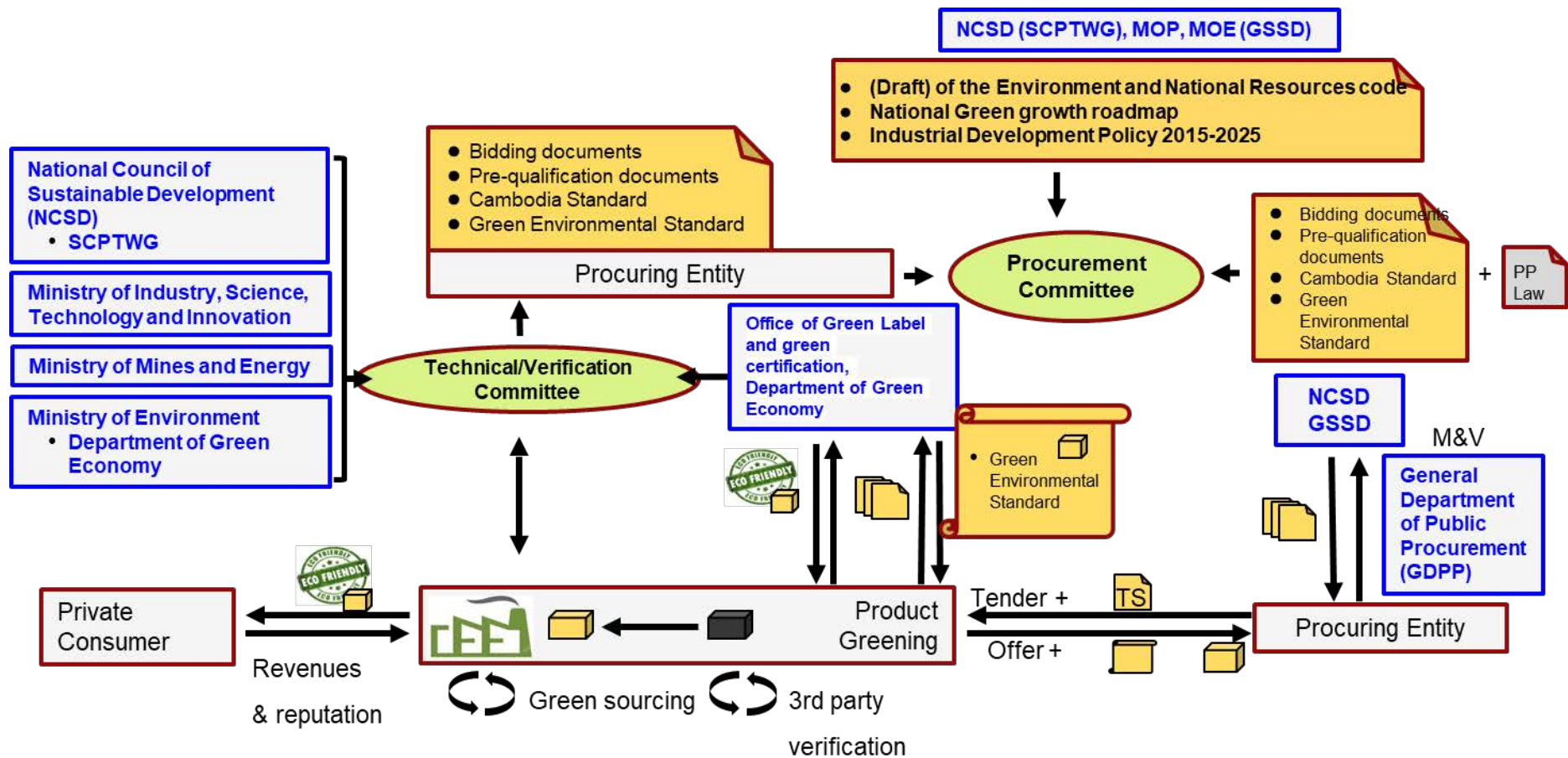


Figure 6 Proposed GPP Implementation Mechanism for Cambodia

Aspect 4: Environmental Labels

Although an Office of Green Labels and Green Certification has been established under the Department of Green Economy, its operational information could not be found. Therefore, this section consists of the National Standard Certification and Eco-labeling Certification that are found in Cambodia.

The National Stand is the **Cambodian Stand Mark** which is certified by the Institute of Standard of Cambodia (ISC). The ISC's "Product Certification" scheme is based on the ISCO/IEC Guide 28, which provides rules for a third-party certification system of determining conformity with product standards through testing and assessment of the factory quality management system. ISC offers 2 types of licensing, which are licenses for products related to health and safety conforming with mandatory standards and licenses for products conforming with voluntary standards¹⁹.



Figure 7 Cambodian Standard Mark by Institute of Standards of Cambodia (ISC)

Regarding the Prakas on General Conditions for Granting License to Use Product Certification Marks No. 621²⁰, the responsible agency is the Ministry of Industry, Mines and Energy.

Clause 1: Determination of general conditions for granting license to use product certification marks to apply to the product certification scheme operated by the Department of Industrial Standards of Cambodia

Clause 2: The product certification mark determined in conformance with the requirements of Cambodian standards is as given in Prakas, No 112 dated 11 February 2004 on Cambodian Standard Marks (see **Appendix D**)

Figure 8 Decides on Prakas No. 621

¹⁹ Cambodian Standard Mark (Institute of Standards of Cambodia, 2016)

²⁰ Prakas on General Conditions for Granting License to Use Product Certification Marks No. 621 (MIME)

There are 926 products, including food and wood standards, which adopt ISO/IEC/CODEX/or international standard. The determination of priority of standard development:

- Policy for National Standard Development
- Urgent Need for the Standard (based on emergency situation relating to health and safety)
- Users and Environmental Protection
- Level of Economic Action under Technical Barrier to Trade (TBT)
- Importation of Inspection on Import-Export, Industries and Certifications
- Increasing the Capability of Local Production in Order to Reduce Importations
- Availability of References and Equipment for Testing²¹

Environmental Labels in Cambodia

There are various certification schemes and types of ecolabels.

(1) Clean Green Cambodia

Clean Green Cambodia has been operating under the Green Influence Programme by the Soulcial Trust since 2017 as an ecolabel certification scheme for hotels, restaurants, shops, and activities organizers (eco-tours, workshops, etc.). In order to meet the standard, the main environmental criteria focus on:

- Environmental Management System
- Waste Management
- Water & Wastewater Management
- Energy Management
- Local Support²²

(2) Green Globe Certification

Green Globe is an international company based in Los Angeles, USA that provides certification, training & education, and marketing services in 83 countries worldwide. Green Globe also maintains a global network of independent auditors who provide third party inspection and validation. The Green Globe Standard is a structured assessment of the sustainability performance of travel and tourism businesses and their supply chain partners.

The Green Globe Standards is a collection of 339 compliance indicators applied to 41 individual sustainability criteria. The applicable indicators vary by type of certification and geographical area as well as local factors. The Green Globe Standard is reviewed and updated twice per calendar year.

Conformity with Green Globe Certification's standard is verified by an independent organization (third party) following ISO 17011 Accreditation, ISO 19011 QMS and EMS auditing (and auditor qualifications).

²¹ Determination of Priority of Standard Development (Determination of Priority of Standard Development, 2016)

²² Clean Green Cambodia (Clean Green Cambodia, n.d.)

The Green Globe Standard is based on the following international standards and agreements:

- Global Sustainable Tourism Criteria
- Global Partnership for Sustainable Tourism Criteria (STC Partnership)
- Baseline Criteria of the Sustainable Tourism Certification Network of the Americas
- Agenda 21 and principles for Sustainable Development endorsed by 182 Governments at the United Nations Rio de Janeiro Earth Summit in 1992
- ISO 9001 / 14001 / 19011 (International Standard Organization)

Highlight criteria related to environmental conservation are based on conserving resources, green purchasing, energy consumption, water consumption, reducing pollution (waste management), GHG control, 3R, harmful substances control, and conserving biodiversity (ecosystem, land, wildlife).

Green Globe Certification provides certification standards for the following industry categories:

1. Attractions
2. Business (Wholesale/Retail)
3. Congress Centers, Meeting Venues
4. Cruise Ships (River & Ocean)
5. Golf Courses
6. Hotels & Resorts
7. Meeting & Events
8. Organizations
9. Restaurants
10. Spas, Health Centers
11. Transportation Companies (Mass Transportation, Bus Companies, Limousine Services, Car Rental)
12. Travel Industry (Tour Operators, Destination Management Companies, Meetings & Incentives Industry)²³

(3) Audubon International

With its Headquarters in New York, USA, Audubon International's environmental and sustainability education and certification programs require the individuals responsible for the membership type to meet specific environmental or sustainability performance requirements.

Conformity with Audubon International's standards is verified by the organization itself (second party). They used environmental education and organizational change literature to help develop the processes and utilized available scientific research to help set the specific environmental standards.

²³ Green Global (Green Global , 2021)

Audubon standards currently exist for communities, neighbourhoods, new land developments, land development renovations, schools, businesses, golf courses, and lodging facilities. There total of 1,125 members.

List of criteria and membership numbers (as of September 2020):

1. Audubon Cooperative Sanctuary Program (ACSP): scope for parks, cemeteries, museums, schools, universities, and other types of businesses (44 members)
2. Audubon Cooperative Sanctuary Program (ACSP) for Golf: scope for golf (867 members)
3. Classic Sanctuary Program: scope for golf courses, hospitals, roadways/trails, schools, private communities, resorts, and other types of businesses
4. Green Hospitality Program: scope for clubs, lounges, golf course club houses, recreational destinations, and member/guest facilities
5. Green Lodging Program: scope for hotels, motels, resorts, inns, bed & breakfasts, and timeshares (108 members)
6. Monarchs in the Rough Program: scope for golf courses in North America (certain US states qualify for grant support)
7. Signature Sanctuary Program: scope for golf courses, hospitals, roadways/trails, schools, private communities, resorts, and other types of businesses (98 members)
8. Sustainable Communities Program: scope for municipalities, large resorts, lake associations, planned communities, and community associations (10 members)²⁴

(4) Programme for the Endorsement of Forest Certification (PEFC)

The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organization dedicated to promoting sustainable forest management (SFM) through independent third-party certification. It works throughout the entire forest supply chain to promote good practice in the forest and to ensure that timber and non-timber forest products are produced with sustainability in mind.

Conformity with the Programme for the Endorsement of Forest Certification (PEFC) standard is verified by an independent organization (third party) following ISO 17011 Accreditation, ISO 17021 Management system certification, ISO 19011 QMS and EMS auditing (and auditor qualifications), ISO / IEC Guide 65 Product Certification, ISO Guide 59; ATO, ITTO/IUCN, ITTO and MCPFE²⁵.

(5) TCO Certified

TCO Certified is an international sustainability certification standard for IT products that guarantee environmental and social responsibility where the product was manufactured, user safety and ergonomic design, as well as minimal environmental impact from both the product and its production during its whole life cycle.

²⁴ Audubon International (Audubon International, 2021)

²⁵ PEFC (PEFC, 2021)

Conformity with TCO Certified' s standard is verified by an independent organization (third party) following ISO 17011 accreditation, ISO 17021 management system certification, ISO 17025 testing and calibration laboratories, ISO / IEC Guide 65 Product Certification.






Valid Certification Criteria for the Green Product Mark:

- Wearable Device
- Cordless Phone
- Router
- Washing Machine
- Television
- Kitchen Machine
- Furniture
- Routing Switch
- Textiles, Shoes and Bags

Certification Criteria for Green Product Mark under development/revision (as of September 2020):

- Flooring
- Paints and Coatings
- Photovoltaic Module

Table 2 Summary of Ecolabels in Cambodia

					
Scheme	verified by CB	verified by CB (ISO 17011, ISO 19011 QMS and EMS auditing)	verified by their own organization (second party)	verified by CB (ISO 17011, ISO 17021, ISO 17025, ISO 17065)	verified by CB
Scope	hotels, restaurants, shops, and activities organizers	travel , tourism businesses and their supply chain partners.	communities, neighborhoods, new land developments, land development renovations, schools, businesses, golf courses, and lodging facilities	IT and electronics products	Forest Management timber and non- timber forest products
Criteria	<ul style="list-style-type: none"> • Environmental Management System • Waste Management • Water & Wastewater Management • Energy Management • Local Support 	<ul style="list-style-type: none"> • Conserving Resources (Green purchasing, Energy consumption, Water consumption, • Reduce pollution (Waste management, GHG controlled, 3R, Harmful substances control) • Conserve biodiversity (Ecosystem, Land, Wildlife) 	<ul style="list-style-type: none"> • Audubon Cooperative Sanctuary Program (ACSP) • Audubon Cooperative Sanctuary Program (ACSP) • Classic Sanctuary Program • Green Hospitality Program; • Green Lodging Program; • Monarchs in the Rough Program; • Signature Sanctuary Program; Sustainable Communities Program 	environmental and social responsibility where the product is manufactured, user safety and ergonomic design as well minimal environmental impact for both the product and its production during the whole life cycle	Sustainable Forest Management

Aspect 5: Market

Cambodia has experienced strong economic growth over the last decade. According to the World Bank (2019), the Gross Domestic Product (GDP) of Cambodia was worth 27 billion US dollars in 2019, with the country's GDP representing 0.02% of the world economy. Although Cambodia's economy has traditionally depended on agriculture, the country's GDP from manufacturing was approximately 3 billion US in 2018. Indeed, the importance of manufacturing has been growing in recent years due to the establishment of export-oriented textile and shoe factories. Cambodia is also taking advantage of a fast-developing tourism sector, with services now the biggest sector in the economy, accounting for 39 percent of total GDP, while the industry sector accounts for 23 percent of GDP, and agriculture has an 18 percent share of GDP (Figure 9)²⁶.

The largest share of expenditure in the services sector is from trading (9.5%), followed by transportation and communication (7.9%) and real estate (7.2%). The largest share of expenditure in the manufacturing sector is from the textile industry at 10.7%, which accounts for almost half of the total manufacturing expenditure.

Expenditures Share Percent Distribution

- Services
- Manufacturing
- Agriculture
- Construction
- Transport
- Mining
- Public Administration
- Utilities

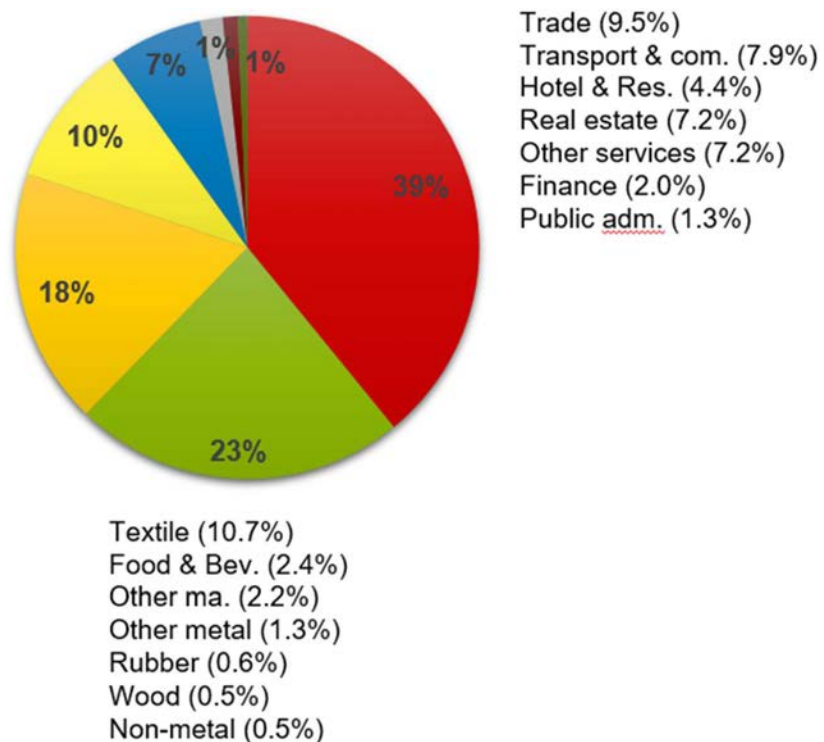


Figure 9 The Expenditure Share by Percent of GDP Distribution

The value of Cambodia's export and import industry sector accounts for 23% of GDP (about \$3billion USD in 2018), which represented an increase by 9% from 2017 and by 45% from 2013. The garment industry in Cambodia has been expanding rapidly and, as a result, textiles account for more than 70% of total exports. Considering only non-food products, Cambodia's major exports include footwear, animal hides,

²⁶ The expenditure share by percent of GDP distribution (Cambodia's GDP, 2019)

machinery, plastics, and natural rubber. Cambodia main imports are petroleum products, fabrics, vehicles, wholesale yarn, cigarettes, and electrical communications equipment.

Cambodia has started the process of structural transformation. A key source of economic growth, this process reallocates economic activity from low to high productivity sectors. It broadly moves activities out of agriculture into textiles, followed by electronics and/or machinery manufacturing. While Cambodia has a presence in textile exports, its global market share in electronics has stagnated over the previous decade. The export growth in the past five years has been driven by textiles. Cambodia's growth in textiles has not been by good luck, by simply concentrating on a growing global sector. Rather, export growth in textiles has been driven by expanding its global market share.

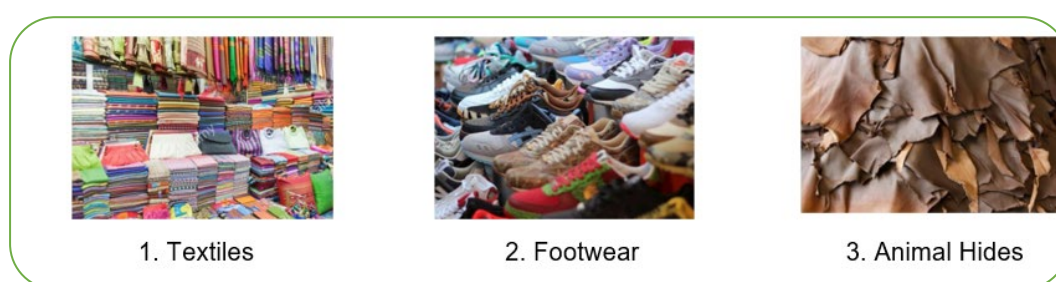


Figure 10 Cambodia's Main Exports

According to the IMF Country Report No. 18/369, the largest proportion of government spending in Cambodia is on compensation for the net acquisition of non-financial assets by employment, which is following an increasing trend, while the purchase of goods and services is constant at around 5% (Figure 11)²⁷. The largest share of consumption (percent of GDP) is household consumption & private and non-profit organizations at an average of 75% (2015-2018).

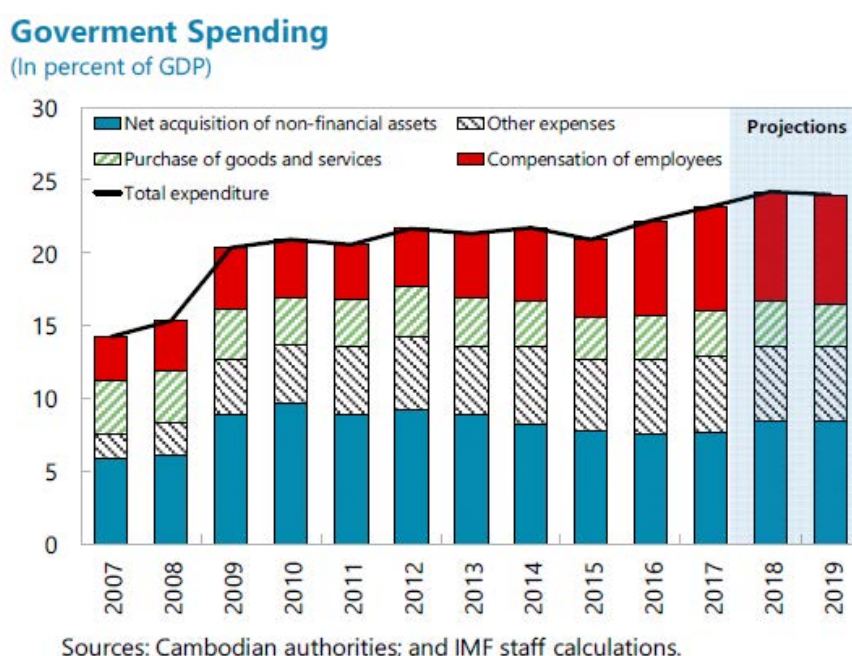


Figure 11 Government Spending Record

²⁷ Government Spending Record (National Institute of Statistics, 2019)

Table 3 Summary of Economic Information in Cambodia

Cambodia			
GDP (Million USD)	2019	27,090	
	2018	24,570	
	2017	22,180	
	2016	20,020	
	2015	18,050	
GDP Manufacturing (Million USD)	2019	-	
	2018	3,000	
	2017	2,750	
	2016	2,580	
	2015	2,410	
GDP by sector (2018) (percent)	Services	39	
	Manufacturing	23	
	Agriculture	18	
	Construction	10	
	Transportation	7	
	Mining	2	
	Public Administration	1	
GDP Expenditure share (percent of GDP)	Utilities	1	
	Household Consumption + Private and Non-profit Organizations	69.1 (2018p) 71.7 (2017p) 78.1 (2016r) 74.4 (2015r)	
	Service Consumption	Serving households	Total
		1.6 (2018p)	38.85 (2019)
		1.7 (2017p)	39.49 (2018)
		2.5 (2016r)	39.72 (2017)
		1.8 (2015r)	39.89 (2016)
			39.83 (2015)
	Government Consumption	4.9 (2018p) 5.1 (2017p) 6.5 (2016r) 5.2 (2015r)	
GDP Expenditure Share by Activity 2018 (percent)	Services	<ul style="list-style-type: none"> ● Trade 9.4 ● Transport & Communication 7.9 ● Real Estate & Business 7.2 ● Hotels & Restaurants 4.4 ● Finance 2.0 ● Public Admin. 1.3 	
	Manufacturing	<ul style="list-style-type: none"> ● Textiles 10.7 ● Food & Beverage 2.4 ● Other materials 2.2 ● Rubber 0.6 ● Wood 0.5 	
	Construction	13.6	

Top 5 Import / Export Product Group 2018 (value Million USD)	Import	<ul style="list-style-type: none"> • Textiles 13,066 • Footwear & Headwear 2,167 • Animal hides 1,139 • Machines 595 • Transportation 483
	Export	<ul style="list-style-type: none"> • Textiles 13,072 • Footwear & Headwear 2,262 • Animal Hides 1,136 • Machines 595 • Transportation 483
Production Capacity and Trend (2018)		<ul style="list-style-type: none"> • Mineral Production 30,000 Metric Tons (-) • Garments, Textiles and Footwear (GTF) Products US\$7.97 billion (2019)

Summary of Returned Questionnaires

Section 1: From Policy Maker/Regulator

Although there has been no concrete announcement on green public procurement (GPP) policy in Cambodia, the legal framework has a determination criterion for feasibility study bidding in order to ensure environmental sustainability that complies with the law on the environment. In contrast, the interviewees' opinion on the suitability of GPP implementation in relation to the present circumstances is that GPP is not suitable at this time for Cambodia's economy because most consumers prioritize low prices when purchasing products. Quantity is considered more important than quality. However, the most important reason why Cambodia is not ready for GPP is that most of its people cannot read the product labels in English, nor do they even care about any effects as a supply chain for health approach. In addition, ordinary Cambodian consumers are not aware of environmentally friendly products, but they are concerned about their health and plastic reduction.

There are some practices that support green manufacturing through a line ministry, such as the MoE partly extending investment to some SMEs or providing support to the Electrical Authorities by lowering electricity prices or to NGOs by providing funds for buying new materials to expand production. The recommendations for implementing green public procurement projects are raising awareness, sharing experience and knowledge, and promoting good cooperation between ministries. In addition, an SCP technical working group should be established and take the main role of leading this task force to set the legal framework and pave the way to the institutional level. The Minister of Environment as the head of the NCSD should prioritize strategic and policy recommendations to the SCP technical working group to move on targeted activities.

Section 2: From Implementer

The results from the General Department of Public Procurement (GDPP) and Department of Pollution Control, Ministry of Environment (MOE) have sub-degree of environmentally friendly on private entities and individuals to conduct the environmental performance (No.60). However, they do not include any specifications on the procurement of environmentally friendly products. Each department is required to make a procurement plan in advance and submit the efficiency expend to the Ministry of Economy and Finance (MEF) for approval. The MEF is in charge of defining, supervising, and monitoring the annual budgeting of every ministry. Unfortunately, the purchasing of environmentally friendly products has never been recorded yet. Environmentally friendly products or services can be procured because there is no specific process or criteria for purchasing these products or services. Such procurement can be made on non-financial grounds. In the tendering process, any major deviations from the commercial requirements and technical specifications are a basis for the rejection of bids. As a general rule, major deviations are those that, if accepted, would not fulfil the purposes for which the bid is requested or will prevent a fair comparison with bids that are properly compliant with the bidding documents. Nevertheless, the procuring entities do not have either a tendency or a policy to buy green products because they consider its price will be higher and not reliable. They need support after the legal framework is established, like awareness of green product campaigns, capacity building and experience sharing between experienced countries.

Analysis and Summary – Cambodia

The analysis in this part is based on a PEST analysis. PEST analysis is a strategic tool used to discover, evaluate, organize, and track macro-economic factors which can impact on the focus business now and in the future. The framework examines opportunities and threats due to political (P), economic (E), social (S), and technological (T) forces. The analysis results are summarized in Table 3 divided into 6 topics that are enabling factors for green public procurement.

Table 4 Analysis Summary of Enabling Factors for Green Public Procurement - Cambodia

PEST Section	Analysis Summary
Political	1. GPP is a national priority concern Draft of Environment and National Resources Code of Cambodia includes: Sustainable procurement Book 3 Environmental Management and Sustainability Mechanisms Section 2 Sustainable Public Procurement (version 11.1 2018)
Political	2. The procurement method is open to green product/service purchasing Non-Competitive bidding (refer to Law of Public Procurement Article 13) a- <u>Direct Contracting</u> where: <ul style="list-style-type: none"> Procurement target is single sourced · For the purpose of research, experimentation, or development The three types of evaluation methodology are: (1) conformance, (2) performance and (3) merit points
Economic	3. There is an incentive for green production Tax exemption and duty-free status for imports to: <ol style="list-style-type: none"> Investment Incentives Granted to a Qualified Investment Project (QIP) Investment Incentives Granted to a Project in SEZ
Social	4. Concern about the environment Consumer concern about health, waste management and plastic reduction.
Technological	5. There is no information on green products/production
NA	6. There are many certification bodies mostly in services , but no environmental standard for products. (Cambodian Standard Mark) and other types of ecolabels exist.

3.2 Lao PDR

Lao PDR's 8th National Socio-Economic Development Plan (2016-2020) has as a core component of its 3rd major goal, "Environmental Protection and Sustainable Natural Resource Management"²⁸. Indeed, the country's Vision 2030, its Socio-Economic Development Strategy for 2016–2025, and the 5-Year Work Plan of the Ministry of Natural Resources and Environment all state the aim of making Lao PDR green, clean and beautiful with its richness of natural resources based on the concept of green growth to achieve sustainable development and green industry development. To this end, some of the main aspects of Outcome 3 of NSDEP 2016-2020 are to supporting green productivity, reduce the consumption of natural resources in the industrial and tourism sectors as well as in households, and reduce the impact of development and investment activities on the environment (e.g. reduce CO₂ emission from the transportation sector, etc.). Two of the country's five Strategic Plans are 2) the promotion of urban and rural environment quality based on the green growth concept and 5) an increase in the institutional capacity of the natural resources and environment sector in terms of resource efficiency and sustainable consumption. Moreover, in developing the 9th National Socio-Economic Development Plan (2021-2025), Lao PDR has integrated sustainable consumption and production (SCP) into the 2nd draft.

This analytical study of National Green Public Procurement and environmental labels in Lao PDR has identified the enabling factors (policies and legislative documents, institutional arrangement, GPP implementation mechanism, environmental labels, and market status) which affect the nation's consideration to implement Green Public Procurement and environmental labels. The results of the analysis of these enabling factors are described in 5 aspects in the following sections.

Aspect 1: Policies and Legislation

Lao PDR is committed to the **2030 Agenda for Sustainable Development**. The country's Prime Minister is Chairman of the National Steering Committee overseeing the implementation of the Sustainable Development Goals (SDGs) in Lao PDR. This included localizing the SDGs and integrating them into the country's National Socio-Economic Development Plan (NSED) in 2016, with around 60 percent of the 160 NSED indicators linked to the SDGs. The three dimensions of sustainable development relating to an NSED outcome are economic, social, and environmental, with specific outputs, targets, and indicators defined for each outcome. Institutional strengthening and partnership development are key components of the SDG Roadmap, with emphasis placed on awareness-raising strategies; multi-stakeholder consultations and dialogue; mechanisms to create horizontal and vertical policy coherence; budgeting for the future; and plans for monitoring, reporting and accountability.

The Green Growth program's vision for 2030 is to build the foundation for planning green growth and monitoring Lao PDR's consolidation of a green growth pathway, beginning with the incorporation of green growth principles at strategic planning and monitoring levels. In April 2016, the National Assembly adopted the **8th Five-Year National Socio-Economic Development Plan (2016-2020) (8th NSED)**, which establishes concrete environmental protection and sustainable natural resource management outcomes and outputs, and lays the foundations for a transition to clean, resource-efficient, and resilient growth.

²⁸ 8th National Socio-Economic development Plan (2016-2020), page 94 (8th NSED, 2016)

To drive this transition, the Prime Minister has established the *Green Growth National Steering Committee (GGNSC)* to guide green growth planning, implementation, monitoring and reporting. The Deputy Prime Minister / Minister of Finance chairs the GGNSC, while the MIP is its Secretariat, and the DOP of the MIP coordinates all GGNSC members, including representatives from MONRE, MAF, MEM, MOIC, and MPWT, among several ministries. The GGNSC will also be responsible for ensuring that the progress and lessons learned are monitored and reported transparently and incorporated into subsequent NSEDPs and longer-term plans, including the **9th Five-Year National Socio-Economic Development Plan (2021-2025) (9th NSEDP)**. In addition, the government will design a "Green Growth Strategy" and will establish a "Green Growth Development Center" with a mandate to operationalize the strategy by incorporating the priorities defined by key planning and budgeting processes.

The National Strategy on Natural Resources and Environment 2016-2025 provides a vision and strategic direction for the development and management of natural resources and the environment, with the goals of ensuring sustainable social-economic development, building the capacity for climate change adaptation and mitigating the risks of natural disasters. This strategy aims to achieve the sustainable utilization and management of natural resources and the environment, thereby improving the health and wealth of all people in Lao PDR.

The important issues have been categorized into five themes:

1. Sustainable Management and Planning of the Use of Natural Resources and Environment;
2. Sustainable Environmental Planning for City and Rural Development;
3. Strengthening the Capacity of Lao PDR on Climate Change Adaptation and Mitigation;
4. Maintaining and Enhancing Regional and International Integration; and
5. Building MONRE Institutional Capacity Effectively, Efficiently and Sustainably.

For public procurement, a **Decree of the Prime Minister on Government Procurement of Goods, Works, Maintenance and Services, No. 03/PM**, dated January 09, 2004 sets the rules, forms and procedures for government procurement of goods, construction, repair and services and ensures efficiency, transparency and economy in government procurement. It liberalizes and promotes equality among all economic sectors in the procurement of goods, construction, repair and services by state organizations and state enterprises. However, the public procurement of goods, works and services financed in full by domestic funds will give priority to local firms, which is a limitation of this decree, whereby the use of the national budget for the procurement of foreign goods will not be authorized if such goods may be produced locally of equal quality. Local firms that are not affiliated to foreign firms and have the capacity to supply goods, works and services of equal quality will be given preferential rights in competitive biddings. Later the **Law on Public Procurement No. 30/NA, 2017 and 2019** was announced in order to elaborate on the preparation of procurement planning; the thresholds; the timeline required for the advertisement/notification of the procurement of goods, works, services and consulting services; the procedures and implementing rules for each method of procurement and the selection of consultants and tender committees; the evaluation of bids/proposals; securities (guarantees); and other contents as stipulated in the Law with the aim of ensuring that such law is implemented in a proper, efficient, effective, and unified manner countrywide²⁹. **Article 4** of the Government Policy on Public Procurement states that the government promotes public procurement by protecting customer rights and preserving the environment for green sustainability.

²⁹ Instruction on Implementation of Law on Public Procurement, MOF (Law on Public Procurement, 2019)



Figure 12 Policies and Legislation Framework for SCP in Lao PDR

Although Green Public Procurement has not yet been implemented in Lao PDR, there are some supporting initiatives like National Assembly no.10/PO (1999), the Promulgation of the Law on Industrial Processing and the SME Development Plan 2016–2020 that can encourage green production which in turn leads to environmentally-friendly products entering the market.

The Law on the Processing Industry No. 01-99/NA determines the principles, regulations, and measures relating to the establishment, operation, and administration of industrial and handicraft processing activities in order to expand the processing and handicraft industry; interrelate the processing industry with agro-forestry; transform the natural economy of farmers into a goods-based economy; and interrelate the economic structures of the agro-forestry, industry and service sectors to increase the living standards of the multi-ethnic people. This law applies to the administration, inspection, and promotion of the development of industrial and handicraft processing factory operations.

In order to ensure that industrial and handicraft processing yield high productivity, the promotion of this sector must be comprehensive, including:

1. Capital or funds
2. Technology and machinery: The State promotes the use of advanced and suitable technology and machinery in the field of industrial and handicraft processing to ensure productivity and to avoid or reduce [adverse] environmental impact.
3. Techniques
4. Vocational training
5. Supply of information and data
6. Facilitation

7. Privileges
8. Customs and tax privileges: The State provides incentives for industrial and handicrafts processing operations, primarily for those operations that the government considers having high priority.
9. Protection of domestically produced products
10. Marketing: The State encourages and promotes all sectors of the economy to seek out domestic and foreign markets in which to distribute industrial and handicraft processing products.

Moreover, concern for the environment has been included in the following articles:

Article 4. Industrial and handicrafts processing operations must ensure environmental protection as provided for in the Law on Environmental Protection.

Article 18. Factory operations must adhere to the Law on Environmental Protection, the Urban Planning Law, and regulations issued by the Ministry of Industry and Handicrafts.

Article 19. All types of factory waste and wastewater must be disposed of and treated according to the method and at the place determined by regulations.

Article 20. The establishment and operation of a factory, including its transportation, storage and use of toxic chemicals, must avoid or mitigate the impact of traffic, sound, light, [colouring agents], toxic fumes, dust, smoke, vibrations, temperature, moisture, and other related factors, on the social and natural environment, as provided for in the Law on Environmental Protection and regulations issued by the Ministry of Industry and Handicrafts.

For SMEs, the key objectives of the ***SME Development Plan 2016-2020*** are (i) to improve the enabling environment for SMEs; (ii) to enhance the competitiveness and sustainable growth of Lao SMEs, and (iii) to enable their integration into regional (especially the ASEAN Economic Community) and international markets.

Therefore, the SME Development Plan 2016-2020 covers 7 policies, which contribute to the social-economic development of Lao PDR: 1) the Promotion of Productivity, Technology and Innovation; 2) the Promotion of Access to Finance; 3) the Promotion of Access to Business Development Services; 4) the Enhancement of Market Access and Expansion; 5) the Strengthening of Entrepreneurial Development; 6) the Policy to Create a Favourable Environment for Businesses; and 7) Policies on Customs and Taxation officially Endorsed by the Prime Minister Decree No. 253/PM, dated January 18th 2017.

In the framework of domestic trade in the field of consumer protection in the consumption of goods and services in the market, the National Assembly has also adopted the **Law on Consumer Protection, Ref. No. 02/NA**, dated 30 June 2020. In this case, the principles, rules, and measures on the implementation, management, monitoring, and inspection are defined. Consumer protection activities are monitored to ensure that the benefits and safety from negative impacts due to sales and service quality are standardized, accurate and consistent with regulations. One of the basic principles of consumer protection is to ensure the safety of the life, health, property, [protection of] legitimate rights and interests of the consumer while conserving the environment and promoting sustainable consumption.

In conclusion, the Lao PDR Government's Green Growth Strategy potentially fits with SDG 12. However, the relationship between sustainable consumption and production in Lao PDR means that policy and

operational frameworks are inadequate. Both policy makers and the public need to be aware of SDG 12. The national policy framework on sustainable consumption and production should fit with existing frameworks. To this end, MONRE is in the process of identifying Green Procurement guidelines and indicators that will fit into the Lao context. Moreover, SMEs will need to develop their human resources and skills, while government entities and SMEs will need access to the best available technologies and environmental practices, innovations, and marketing tools.

Aspect 2: Institutional Arrangement

The government's institutional mechanisms established by Presidential Decree show the highest priority accorded to the implementation of the national development plans and the SDGs. The President issued a Decree on 20 September 2017 appointing the Prime Minister to chair the **National Steering Committee for SDG Implementation**, with members of the Committee drawn from all concerned ministries, ministry-equivalent agencies, and mass organizations. The National Steering Committee will oversee the coordination and implementation of the SDGs through the NSEDP and the sectoral development plans of various ministries up to 2030, including the monitoring and evaluating the implementation results.

The Decree mandates SDG implementation by every ministry and sector, and at different levels throughout the country. The 26 National Steering Committee members all have ministerial or vice-ministerial status. The Committee then appointed the National SDG Secretariat in the Ministry of Foreign Affairs and SDG focal points in relevant line ministries to lead and take ownership of each SDG12. The National SDG Secretariat (Ministry of Foreign Affairs and Ministry of Planning and Investment) works with line ministries to track the progress of SDG implementation. Also, in coordination with line ministries, the National SDG Secretariat works closely with United Nations agencies and other development partners to ensure the support necessary for accelerating progress towards the 2030 Agenda.



Figure 13 Structure of National Steering Committee for SDG Implementation

The **Green Growth National Steering Committee (GGNSC)** is appointed to guide green growth planning, implementation, monitoring and reporting. The GGNSC is chaired by the Deputy Prime Minister/Minister of Finance, operationalized by MIP as Secretariat, and coordinated by the Department of Planning (DOP). Members of GGNSC include representatives from several ministries including MONRE, MAF, MEM, MOIC, and MPWT. The GGNSC is mandated to lead and oversee the country's broad green growth agenda. The GGNSC will also be responsible for ensuring that the progress and lessons learned are applied to inform subsequent NSEDPs and longer-term plans.



Figure 14 Structure of Green Growth National Steering Committee (GGNSC)

The Institutional Arrangement for Public Procurement

The institutional arrangement for public procurement in Lao PDR is presented in Figure 14. The role of each entity which can support the green public procurement is as follows:

- **Ministry of Finance (MOF)** is the competent institution that governs public procurement and has the right and power over the development of public procurement policy and appoints the **State Budget Department (SBD)** to be responsible for:
 - Implementing policies, strategies, laws and legislation on state budget work and procurement with state funds;
 - Researching, formulating and improving subordinate legislation related to the state budget and procurement with state funds;
 - Monitoring the implementation of procurement activities with state funds in accordance with laws and regulations.
- **Department of Pollution Control and Monitoring (PDCM), MONRE** is responsible for leading cooperation between related sectors, both central and local to research; classifying policy; strategic planning; and implementing regulations and measures to control and monitor pollutants and pollution loads. Moreover, PDCM also cooperates with concerned sectors to build capacity and facilitate businesses to be responsible for pollutant emissions and pollution load control. This includes conducting training for supporting the efficiency of instruction enforcement.
- **Ministry of Planning and Investment (MPI)** takes the lead in coordination and cooperation with concerned ministries, agencies, and local authorities, based on the cooperation agreements and strategic documents or the framework of cooperation that is already endorsed by the Government.
- **Ministry of Industry and Commerce (Department of SME Promotion)** is responsible for governing and developing industrial activity and commercial activity in Lao PDR. The ministry provides information such as trade laws, links to trade organization websites, and various statistics.
- **Department of Industry and Handicrafts** is responsible for drafting and elaborating on strategic plans relating to industrial and handicraft processing, conducting surveys and collecting statistical data, coordinating with relevant sectors, carrying out studies, and providing technical opinions regarding requests to invest in industrial and handicraft processing activities. In addition, the MIH contacts and cooperates with international [parties] to develop and promote industrial and handicraft processing.

- **State Assets Management Department (SAMD), MOF** has the role of Secretary to the Minister of Finance, which includes the macro-management of state property management and the inspection and collection of revenues from state property into the state budget in accordance with laws and regulations.
- **State Budget Department (SBD), MOF** acts as a secretary to the Minister of Finance on macro-affairs of state budget work and **procurement** with state funds. Its responsibilities include researching the fiscal policy of the state budget in accordance with the National Socio-Economic Development Plan; developing a medium-term state budget plan and an annual state budget plan; allocating state budget plans to central and local state budget units; managing, monitoring, inspecting, summarizing, evaluating and disseminating the implementation of the state budget; and **managing bids for the procurement of goods, construction, repairs and services** with state funds.

Aspect 3: GPP Implementation Mechanisms

The Ministry of Finance (MOF) is the competent institution that governs public procurement and has the right and power over the development of public procurement policy. From its headquarters at the State Budget Department (SBD), it oversees all public procurement activities.

Planning & Budgeting

Procuring entities prepare a procurement plan and budget according to an approved National Assembly on a national budget, then submit an annual procurement plan and monthly detailed procurement plan to the Ministry of Finance, State Budget Department (SBD) to be announced on the public procurement website. (Procurement Manual, Section 2: Procurement Planning)

Method of Procurement

The project owner or procuring entities need to use MOF/SBD Standard Bidding Documents (SBD) whenever these have been prepared for procurement of particular types of goods and services. When an SBD does not exist, the procuring entity or project owner may use other bidding documents provided that they contain internationally recognized standard conditions of contract and contract forms acceptable to the MOF/SBD.

The method of procurement that the procuring entity or project owner chooses to use for a particular project depends on the nature and size of the project and its procurement element and the urgency with which the goods or services to be procured are required. Commonly used methods of procurement include International Competitive Bidding (ICB) and National Competitive Bidding (NCB). Procurement procedures are outlined in the Implementing Rules and Regulations (IRR) as follows:

1. Open bidding is used for works and/or maintenance and supply of goods and/or services and includes the following process:

- 1.1. Single-stage, one-envelope bidding for works and/or maintenance and supply of goods and/or services of the nature of non-complexity, non-tool or advanced technology required for works.
- 1.2. Single-stage, two-envelope bidding for works and/or maintenance and supply of goods and/or services that require particular technical specifications or involve certain goods with high technical specifications. The bidders are required to place inside one sealed envelope their bid details in two separate sealed envelopes, one for the qualifications and technical specifications of the bidder and one for the bid price prior to submission.
- 1.3. Pre-qualification procedures apply for large-scale, technically complex and high-value projects. In such cases, the suitable bidders shall be assessed in advance. The pre-qualification process shall be carried out as an open public bidding procedure with the prequalification documents indicating the criteria and conditions to all interested companies. Bidders who meet the criteria and conditions set out in the pre-qualification documents will then be invited to submit bids with their bid price.
- 1.4. Double-stage bidding applies for large-scale and high-value projects in which the implementing agency has no experience of the technical specification preparation or high-value design. The bidding comprises the following two stages:
Stage 1: Interested bidders are requested to submit preliminary proposals of their technical specifications and methodology for assessment and acceptance for initial reference. Then, the project owner shall define the technical specifications and criteria for bidding.
Stage 2: The qualified bidders will be advised to submit their technical specifications and methodology in order to facilitate the project owner or procuring entities to modify the criteria if needed. Then, the qualified bidders will be invited to submit their bids.
- 1.5. The framework agreement is the agreement between the project owner or procuring entity and one or more suppliers and/or service providers, and serves as a reference for the procuring of goods, equipment, maintenance and/or services within a certain timeframe or two to three-year period with a pre-agreed estimated price, quality and quantity for each period. The conditions of the framework agreement will be defined in the contract.
- 1.6. Public Private Partnership (PPP) comprises (i) build, own, operate (BOO) or (ii) build, operate, transfer (BOT) and others, for which risks are transferred to the private sector. Procurement under a Public Private Partnership (PPP) arrangement shall be procured under the open bidding procedure.
2. Limited bidding is used when particular technical specifications required where there are a limited number of appropriate contractors or supplier and/or service providers. The project owner or procuring entities shall inform the contractors or suppliers and/or service providers to submit their bids. Procurement under limited bidding shall follow the open bidding procedure, except there is no requirement to advertise or make notification of the invitation to bid through mass media; prospective bidders may be directly invited.
3. A request for quotation (price comparison) is used for small-scale works and/or maintenance, routine maintenance, office supplies and other services under the specified threshold value. Under this procedure, invitations are issued to bidders directly or via electronic media, with a minimum of three bidders invited to participate. The period of time will be specified in the request for quotations.
 The requests for quotation will be sent directly to potential bidders that have been initially selected by the project owner or procuring entities in order to bid as per the conditions, rights

and obligations of the bidders. Procurement under request for quotation shall follow the open bidding procedure.

4. Direct contracting is an agreement made between the project owner and contractor or between the procuring entities and supplier and/or service provider. No bidding process is required. Direct contracting is carried out for one of the following cases:
 - 4.1 Goods under a single source supplier who engages in patent or copyright (industry) or intellectual property rights.
 - 4.2 Equipment and particular goods under a single source contractor or supplier and/or service provider for maintenance or replacement purposes.
 - 4.3 Additional works (variation) and/or continuation of previous works and/or maintenance, supply of goods and/or services and consulting services which cover the same contents as the main contract not exceeding twenty percent of the original contract amount.
 - 4.4 Government projects or activities implemented in remote areas, with poor infrastructure facilities or without interested bidders.
 - 4.5 Projects that fall under the threshold as indicated in sub-clause 3.1 of this Instruction and which are essential for particular routine and daily administrative purposes.
 - 4.6 Force majeure or emergency matters such as a national disaster as per the government's decision.

Monitor and Evaluate

The procuring entity or project owner and officer responsible for the procurement work shall maintain all documents relating to procurement for regularly monitoring and reporting to the Ministry of Finance or for annual inspection of the fiscal year.

The proposed mechanism for green public procurement implementation in Lao PDR is presented in Figure 15. Green public procurement can be initiated from the green product standard development by the National Standard Council (NSC). The project owner or procuring entity develops the environmentally-friendly product's bidding documents or pre-qualification documents based on the environmental standard according to the Lao National Standard. The environmentally-friendly product standard bidding document will be considered and approved by a technical committee or tender committee which shall be comprised of representatives from stakeholders, such as the Ministry of Industry and Commerce, the Industry and Handicrafts Department, and the Ministry of Natural Resources and Environment (Pollution Control and Monitoring Department). Those prepared documents shall be submitted to the National Assembly Procurement Committee) for their consideration of the compliance with the (Green) public procurement law. The Procurement Monitoring Office takes responsibility for overseeing all (Green) public procurement activities, including monitoring and validation from report submitted by the procuring entity.

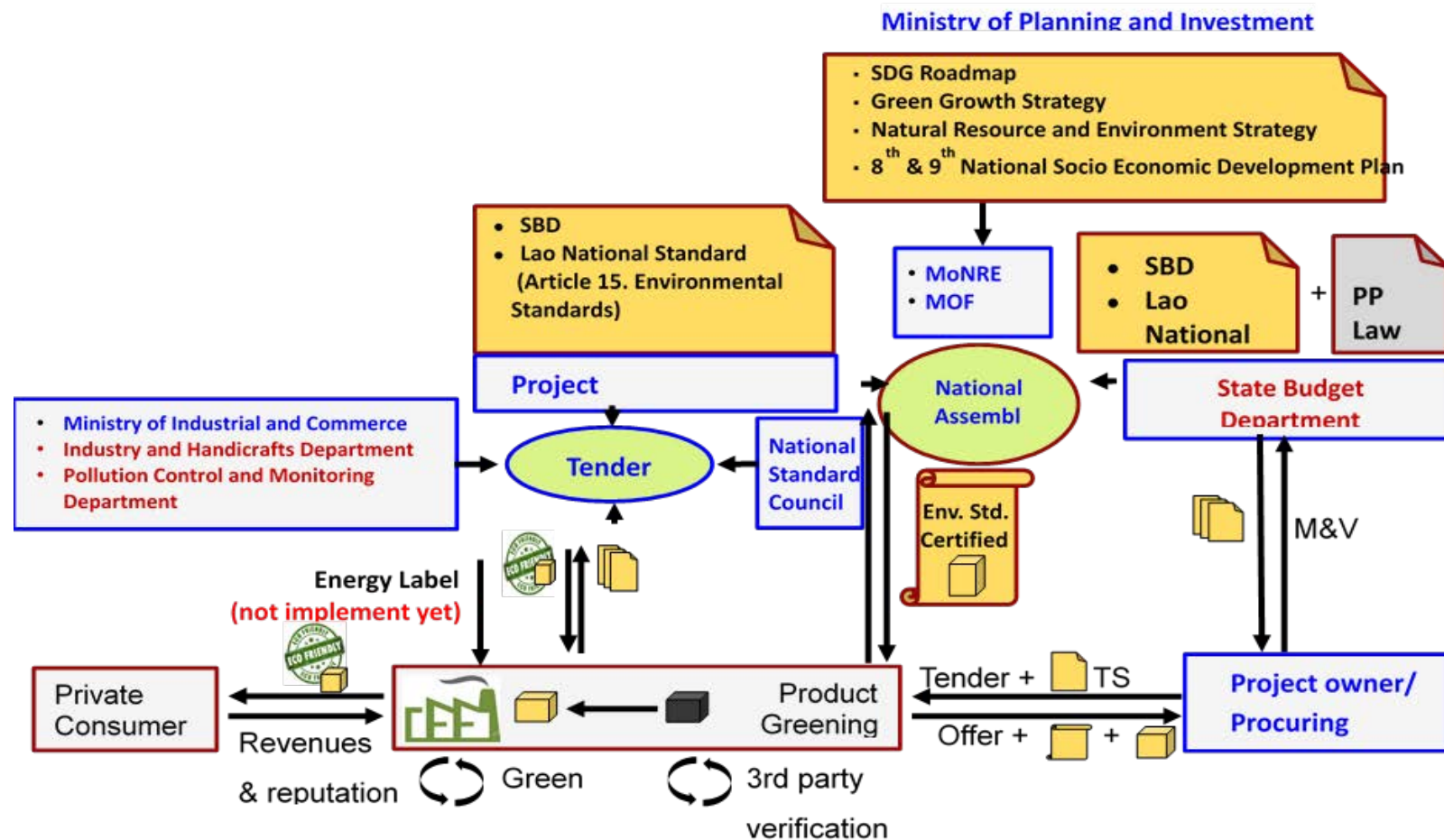


Figure 15 Proposed GPP Implementation Mechanism for Lao PDR

Aspect 4: Environmental Labels

Currently, Lao PDR has no environmental labels scheme (Type I). However, **The Department of Standardization and Metrology (DOSM)** is a governmental body under the Ministry of Science and Technology, established by Ministerial Decree #0836/MST on 21 December 2011.

The DOSM is the country's leading authority in the area of standardization, metrology, accreditation conformity assessment and related activities. In addition to supporting these highly technical specific activities, the DOSM's mission is to provide a host of credible technical services that support Lao PDR's innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that will contribute to the economic development of the country, as well as improving the health, safety, environment and the standard of living of the Lao people. As a service provider, the DOSM guides and creates awareness among the public and private sector of the value of a National Quality Infrastructure as a tool to facilitate trade and economic growth.

The DOSM is committed to tackling the technical challenges of developing a national quality infrastructure that is based on international standards and conformity assessment procedures. The DOSM plans to promote the adoption and implementation of these international standards in order to take advantage of export opportunities within ASEAN countries in the short and medium-term.

Division Standard Mandate

The Division Standard Mandate is to define the principles, rules and measures regarding the organization, activities, management and inspection of standards and technical regulations for products, goods, services, processes, and the environment. In this way, it aims to support, promote, and ensure that the production, services, social-economic activities, and environmental protection measures incorporate quality, efficiency, and justice. The mandate also aims to protect the legitimate rights, interests, and safety of consumers, ensuring regional and international integration, thereby contributing to the development of the nation.

List of Legal Standards

- Law on Standardization (amendment) 49/NA Date 18 July 2014
- Regulation on the Quality Inspection of Goods
- Regulation on Using the National Standard Mark
- Regulation on Registration of Products
- Regulation on Implementation of TBT Enquiry Point

The National Standard follows the Standards Law of the National Testing Service, National Assembly No. 13/NA 26 Dec 2007, and Amended No. 49/NA, dated 18th July 2014. This law applies to activities relating to standardizations, such as formulating, promulgating, and implementing standards and technical regulation in the areas of production, business trade, services, processes, environment, and other matters related to standardizations. There are 3 types of Lao Standards: (i) products and goods; (ii) services; and (iii) environmental standards.

- (i) The Standards for Products and Goods set the specifications for the particular characteristics of products and goods in order to meet the requirements of suppliers and

consumers. They apply to products and goods produced for import and export while those produced and used domestically must conform to national and local Lao Standards.

- (ii) The Standards for Services determine the minimum specifications for the operational systems that cover various stages and areas of work, including installation and warranty periods for products and goods, tourism services, hotels, restaurants, transportation, telecommunications, education, public health, and others to ensure the efficiency, effectiveness and timeliness of those services.
- (iii) Environmental Standards define the criteria or limits permitted in terms of releasing pollution that causes adverse effects on the health [and] lives of humans, animals, plants, and the environment. Any individual, legal entity or organization that operates a business in manufacturing, trade and/or services must make every effort to comply with the standards, laws and regulations governing the environment. Lao PDR's Environmental Standards are defined in separate regulations, with the relevant competent authorities responsible for the implementation of those standards according to their roles.

The contents of Lao PDR's Environmental Standards consist of the following:

- Level and range of release of wastewater, smoke, waste oil, chemical residue, and other pollutants.
- Level and range of vibration, noise, light, colour, radiation, and odour.
- Other contents related to the environment.

Environmental Labels in Lao PDR

Currently, Lao PDR has no National Labeling Programs neither the test laboratories yet. However, there are other certification schemes and types of ecolabels as follow.

(1) Energy Efficiency Standards and Labeling Programs

Lao PDR has been a member of the IEC³⁰ affiliate country programs since 2006 and adopted ICE standards of 50 Electrical and Electronics products as Lao National Standards. These include safety and performance specifications for lighting products, for double capped fluorescent lamps and performance requirement for ballasts for tubular fluorescent lamps and lamp holders for tubular fluorescent lamps and starter holders. No manufacturing capability for Electrical and Electronics products includes lighting products and imports from neighbouring countries such as Thailand, China, and Vietnam. Labeling refers to the country which imported the products³¹.

(2) Lao Organic Standards

The Lao Organic Standards (covering crop production, wild harvesting, processing, and handling as well as labelling) were developed by PROFIL in 2004-05. After being submitted to the Ministry of Agriculture and Forestry, these Standards were adopted as the National Organic Standards in December 2005. The Lao Organic Standards No. 1666/MAF (30 December 2005) is based on the IFOAM Basic Standards and the organic standards of the Organic Agriculture Certification Thailand (ACT).

³⁰ ICE – International Currency Exchange

³¹ PowerPoint Presentation from the Seventh lites.asia Regional Lighting Policy Meeting in Jakarta, Indonesia (CHANTHA, 2013)

(3) Forest Stewardship Council (FSC)

The Forest Stewardship Council® (FSC) promotes the environmentally appropriate, socially beneficial, and economically viable management of the world's forests certified for Chain of Custody Certification and Forest Management Certification. FSC® chain of custody (CoC) tracks FSC certified material through the production process – from the forest to the consumer – including all successive stages of processing, transformation, manufacturing, and distribution. FSC® Certification is a way of ensuring that careful and long-term forest management is recognized. Certification is voluntary. It involves an inspection of the forest management by an independent body.

(4) Programme for the Endorsement of Forest Certification (PEFC)

The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organization dedicated to promoting Sustainable Forest Management (SFM) through independent third-party certification. It works throughout the entire forest supply chain to promote good practice in the forest and to ensure that timber and non-timber forest products are produced with respect for the highest ecological, social, and ethical standards.

Conformity with PEFC's standards is verified by an independent organization (third party) following ISO 17011 Accreditation, ISO 17021 Management system certification, ISO 19011 QMS and EMS auditing (and auditor qualifications), ISO / IEC Guide 65 Product Certification, ISO Guide 59; ATO, ITTO/IUCN, ITTO and MCPFE.

(5) TCO Certified

TCO Certified provides international sustainability certification for IT products, carried out with regard to environmental and social responsibility where the product is manufactured, user safety and ergonomic design, as well minimal environmental impact for both the product and its production during the whole lifecycle.

Conformity with TCO Certified's standard is verified by an independent organization (third party) following ISO 17011 accreditation, ISO 17021 management system certification, ISO 17025 testing and calibration laboratories, ISO / IEC Guide 65 Product Certification.

Valid Certification Criteria for the Green Product Mark:

- Wearable Device
- Cordless Phone
- Router
- Washing Machine
- Television
- Kitchen Machine
- Furniture
- Routing Switch
- Textiles, Shoes and Bags

Certification Criteria for Green Product Mark under development/revision (as of September 2020):

- Flooring
- Paints and Coatings
- Photovoltaic Module

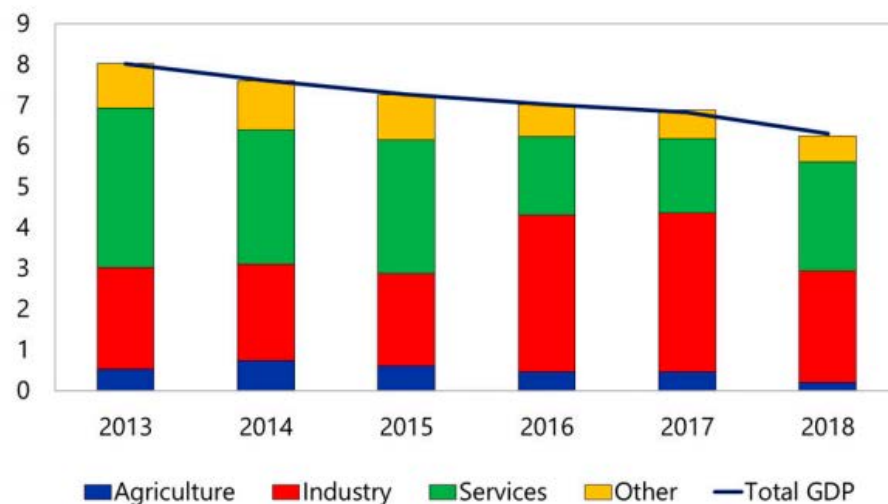
Table 5 Summary of Ecolabels in Lao PDR



Scheme	Energy Efficiency Standards and Labeling programs Department of Energy Management, Ministry of Energy and Mines (MEM)	Lao Organic operated by Ministry of Agriculture and Forestry of Lao PDR, PROFIL project.	Certified for Chain of Custody Certification and for Forest Management Certification	Endorsement of Forest Certification (PEFC) schemes's standard verified by CB (ISO 17011, ISO 17021, ISO 19011, ISO 17065, QMS , and EMS)	Verified by CB (ISO 17011, ISO 17021, ISO 17025, ISO 17065)
Scope	Guideline and Regulation for the Energy Efficiency and Conservation in the Residential , Building , Industries Sector	Covering crop productions, wild harvest, processing and handling as well as labelling	Certified for Chain of Custody Certification and for Forest Management Certification	Forest Management timber and non-timber forest products	IT and electronics products
Criteria	On developing process	Lao Organic Standards No. 1666/MAF	FSC® chain of custody (CoC) tracks	Sustainable Forest Management	Environmental and social responsibility where the product is manufactured, user safety and ergonomic design as well minimal environmental impact for both the product and its production during the whole life cycle

Aspect 5: Market

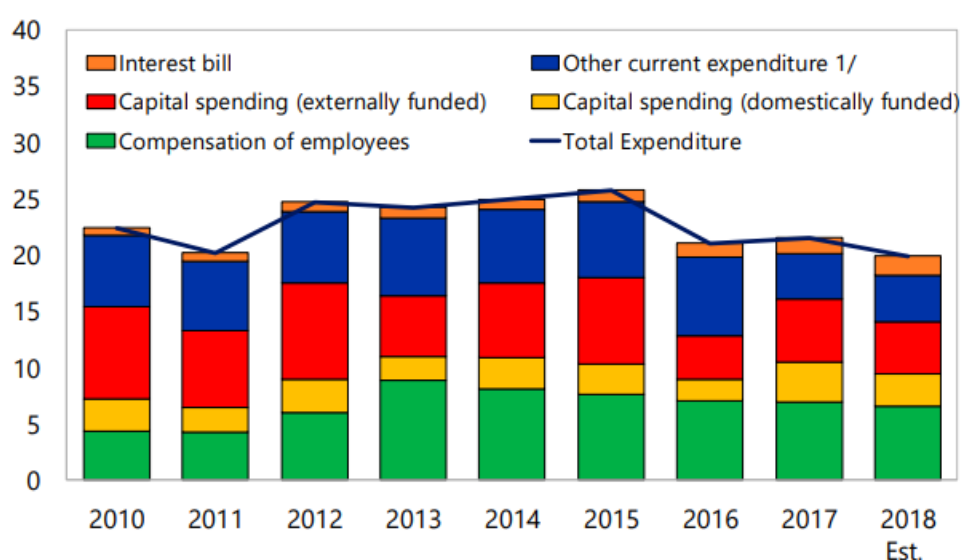
The Gross Domestic Product (GDP) in Lao PDR was worth approximately 18.17 billion US dollars in 2019, according to official data from the World Bank and projections from Trading Economics. The GDP value of Lao PDR represents 0.02 percent of the world economy. GDP growth slowed to 6.3 percent in 2018 from 6.8 percent in 2017, as both agricultural and industrial production declined mainly due to natural disasters. Heavy rainfalls from tropical storms resulted in flooding across the country. Lao PDR's economy mostly depends on services, which constitute the biggest sector in the economy and account for 42 percent of total GDP (Figure 16). GDP from manufacturing was approximately 1 billion US in 2019, which represented about 30 percent of GDP. Agriculture's share of the GDP was in the region of 15 percent. According to the IMF Country Report No. 19/267, the government spending of Lao PDR represented around 20 percent of GDP, with the main proportion of this spending on compensation to employees. However, there was no record on any product of service procurement (Figure 17)³².



Sources: National authorities; and IMF staff estimates.

Figure 16 The Expenditure Shares by percent of GDP Distribution

³² Lao PDR IMF Country Report No. 19/267, August 2019



Sources: National authorities; and IMF staff calculations.
1/ Including grant-financed capital expenditure from 2010 onward.

Figure 17 Government Expenditure as a percent of GDP

Lao PDR's GDP at current market price by economic activities is presented in Figure 18³³. It can be seen that the electricity industry represents the largest share with 34.39% followed by construction (22.09%) and then mining & quarrying (19.06%) in 2018.

Activity(1)	Activity(2)	2018	2017	2016	2015 **)
Industry	Sub Summary	48,061	43,509	37,180	32,471
	Mining & Quarrying	9,160	9,235	8,391	7,967
	Manufacture of Food Products	2,186	2,084	2,020	1,943
	Manufacture of Beverages & Tobacco	1,942	1,841	1,829	1,737
	Manufacture of Textiles, Clothing, Footwear & Leather Goods	1,748	1,628	1,586	1,538
	Other Manufacturing	5,483	4,980	4,612	4,385
	Electricity	16,530	14,843	11,220	7,963
	Water Supply; Sewerage, Waste Management & Remediation Activities	393	362	338	323
	Construction	10,619	8,536	7,184	6,614

Figure 18 GDP at Current Market Price by Economic Activities

The export value of the Lao PDR industry sector was approximately 1 billion USD in 2019, accounting for 31 percent of GDP. Lao PDR's total exports expanded by 5.8% YoY in Sep 2020, compared with a decrease of 13.2% YoY in the previous quarter. Total exports growth results averaged at a rate of 14.4 %. The largest shares of the export sector value were accounted for by machinery, textiles, and wood products.

³³ GDP at Current Market Price by Economic Activities (Department of Economic Statistics, LSB, MPI, 2020)

The machinery sector accounted for the highest value from export/import GDP. The list of the highest value products in this sector includes transmission apparatus, insulated wire, cable and other electric conductors, telephone sets, electric transformers, and electrical machine apparatus.

The value of textile exports from Lao PDR hit \$2.824 billion USD in 2018. The main export markets were the European Union, Japan, the United States, and Canada. However, the textile production trend was downward from 2015. While the trend for the production of wood products was upward (Figure 19 and 20).



Figure 19 Production of Textiles (2014-2018)

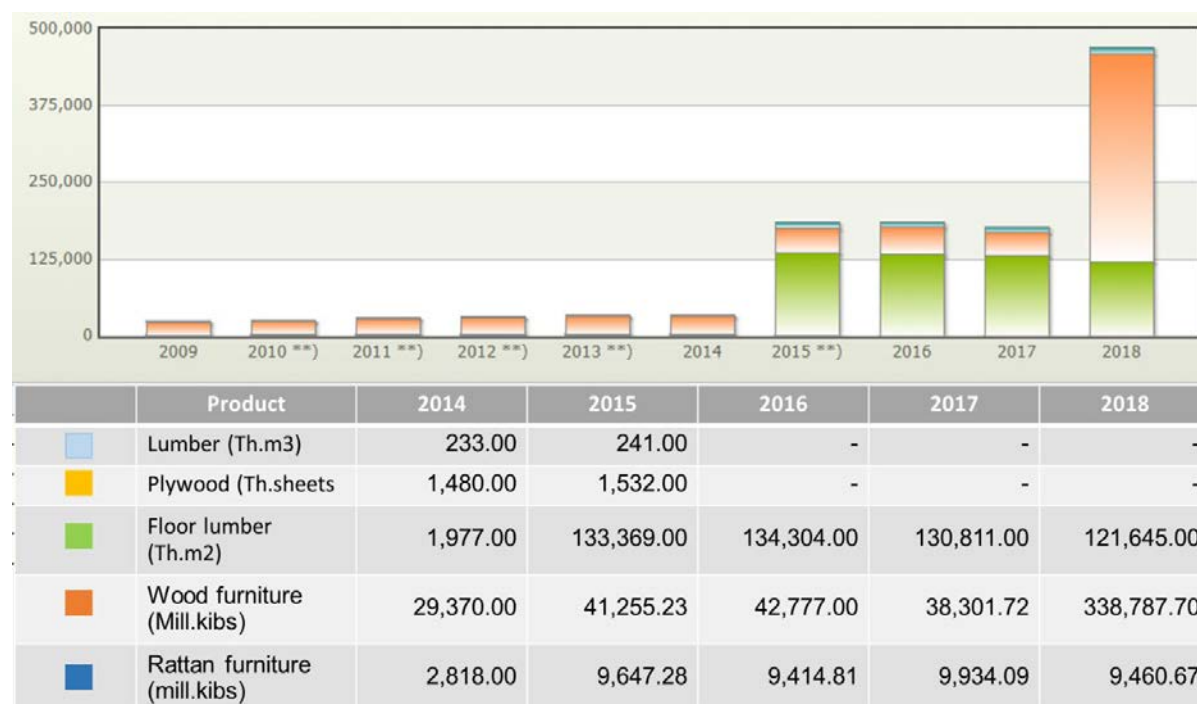


Figure 20 Production of Wood and Wood Products (2014-2018)

Table 6 Summary of Economic Information - Lao PDR

Lao PDR		
GDP (Million USD)	2019	18,170
	2018	17,950
	2017	16,850
	2016	15,810
	2015	14,390
GDP Manufacturing (Million USD)	2019	-
	2018	1,060
	2017	1,010
	2016	970
	2015	940
GDP by Sector (2018) (percent)	Services	41
	Manufacturing	8
	Agriculture	15
	Construction	8
	Transportation	2
	Mining	9
	Public Administration	6
	Utilities	11
GDP Expenditure Share (percent of GDP)	Household Consumption + Private and Nonprofit Organizations	63.70 (2017r) 64.40 (2016r)
	Service Consumption	42.65 (2019) 41.61 (2018) 41.53 (2017) 42.48 (2016)
	Government Consumption	14.0 (2016r)
GDP Expenditure Share by Activity 2018 (percent)	Services	<ul style="list-style-type: none"> ● Trade & Repair of Motor Vehicles 29.44 ● Public Admin. 22.20 ● Real Estate 13.43 ● Finance & Insurance 7.35 ● Hotels & Restaurants 6.23 ● Education 5.70
	Manufacturing	<ul style="list-style-type: none"> ● Electricity 34.39 ● Mining 19.06 ● Others 11.41 ● Food Products 4.54 ● Beverages 4.04 ● Textiles 3.64
	Construction	22.09

Top 5 Import / Export Product Groups 2018 (value Million USD)	Import	<ul style="list-style-type: none"> ● Machines 1,487 ● Transportation 646 ● Plastic & Rubber 288 ● Textiles 158 ● Instruments 109
	Export	<ul style="list-style-type: none"> ● Machines 7,799 ● Textiles 2,824 ● Wood Products 2,633 ● Plastic & Rubber 1,920 ● Paper Goods 1,261
Production Capacity and Trend (2018)		<ul style="list-style-type: none"> ● Textiles 27,120 (2018), 21,038 (2019) Th.pieces (-) ● Wood Furniture 338,878 mill.kips (+) ● Floor Lumber 121,654 Th.m² (-) ● Blocks 450,942 Th.pieces (+) ● Cement 4,800 Th.tons (+) ● Tiles 127,783 Th.sheets (+) ● Electric Wire 88.56 Th.m (-)

Summary of Returned Questionnaires

Section 1: From Policy Makers or Regulators

Most interviewees³⁴ agreed that the legal framework allows for the procurement of environmentally friendly products. It is mentioned in the Law on Public Procurement, amended 2017, Article 4 that the Law on Public Procurement promotes public procurement from the government budget for environmental protection in accordance with the sustainable and green development directions.

MIP plans to develop the green public procurement policy as part of a strategic plan for green growth to be integrated into the 9th National Socio-Economic Development Plan (2021-2025).

The Government of Laos (GoL) have policies and implementation plans that support the accountability of the green public procurement but still unclear. The Government of Lao PDR must have tools (law and regulations) to warrant the implementation, including

A representative of MONRE believed there would be a good opportunity to promote related activities after the COVID19 situation, whether in the field of consumption or production, in line with the society that focuses on saving and maintaining their own health, as well as providing an opportunity to promote investment and access to investment in small and medium enterprises. The opinion that GPP will reduce the use of state resources and budget in the long run, which will also have a positive effect on long-term economic development.

A representative of MIP commented that there is no support or incentive to encourage green or clean production, while a representative of MONRE answered that it is down to the project legislation and action plan to promote activities related to the procurement of environmentally friendly products and services. Suggested incentives that could make producers turn to clean green production included tax reduction, low-interest loans, and better capacity building (knowhow).

The challenges for implementing GPP are law enforcement, incentives, knowledge sharing to producers and consumer, government budget and high cost of products

The suggestions included establishing legislation as a basis for implementation and creating awareness activities in the offices of government agencies so that they can see the importance of green products and the money that can be saved from turning to environmentally friendly goods and services.

Section 2: From Implementers

All agencies had implemented a policy of procurement in accordance with the Law on Public Procurement ref. no 30/NA, dated 02 November 2017. However, they had not made any environmentally friendly product procurements.

³⁴ Interviewees from: MIP (Department of Planning), MOF (Department of State Assets Management) MONRE, MOIC (Department of Import-Export and Department of Trade Promotion)

The agencies were operating on procurement as planned by the unit, normally once a month or every 3 months

Procurement policy is communicated through the state procurement management and monitoring unit. The inspection of the unit is monitored at the end of every month. The verification information is kept in the account records to follow up with procurement until the end of the contract. Each agency has purchased different types of products. In general, the most purchased product is A4 paper, coffee glasses, tissues, books-diaries, pens and pencils, tea, coffee, drinking water, ink for printers or photocopiers, and carbon paper.

MONRE was the focal point of this question. The answer given by a representative of MONRE was that it is necessary to have experimental activities to test selected products and services. There were some different suggestions from the other agencies, such as paper, equipment, furniture, office supplies, fabric bags, and paper bags, as well as mention of supermarkets promoting the policy of using fabric bags.

The most important problem in procuring environmentally friendly products is budget limitations as Eco-friendly products are expensive. It was suggested that the government should provide incentives like tax reductions. Moreover, it is not always possible to find suppliers of such products, and there is no certification of certain standards (MONRE).

The perception of what is necessary for the operation to be consistent with the green procurement policy was that all units must be prohibited from using anything that has an impact on the environment. It is necessary to implement legislation that will open up opportunities for the procurement of environmentally friendly goods and services. At the same time, it is necessary to create a model for procurement in order to provide information that can show how the goods or services are beneficial to the state budget after their procurement.

Simultaneously, the replacement of such product standards is even more necessary and should be carried out at the same time as efforts to raise environmental awareness among relevant government officials so that everyone can proceed in the same direction.

Section 3 From Industrial Supporters

None of the agencies had any idea on how they were involved with GPP, but they only considered themselves supporters to encourage the business sector to use eco-friendly products. There was no information on green production, but organic and artificial products have been given priority.

The obstacles to having green production as follow:

- Lack of promoting the product domestically and internationally
- Not giving special privileges
- Not provide necessary facilitation for the companies
- No support market for eco-friendly products
- Lack of knowledge and knowhow on green production
- Lack of budget in establishing the systems

Suggested Solutions:

- Establish a focal agency to be the main coordinator, sharing knowledge about GPP
- Support or incentivize manufacturers to engage in green production = Facilitate the production and provide help with finding a market for green products
- Set clear goals and provide guidance
- Raise awareness among investors and producers about green product supplies
- Disseminate information to reach out to consumers

MORE as the focal point for the implementation of the project and as the Secretariat for the Board of Directors of the MONRE in the formulation of plans and cooperation, including the financial policy, and bridging access to sources of funding, support the implementation of the project through project activities along with raising awareness throughout society about the benefits of using environmentally friendly products and services.

Section 4 From Product Certification Body

There is Ministerial Order of the Industry and Commerce on labeling in Lao language, Ref. no. 250/MOIC DDT, dated 16 December 2015. This mandate aimed at encouraging local producers and importers labelled their products in Lao language before selling them and providing the consumers with an understanding of the product value and quality, knowing source of products before choosing to purchase or consumes as well as avoiding consume products that are not quality, defective of improperly using in order to prevent adverse effects on the health, property of consumers and the environment³⁵.

³⁵ Interviewees from: MOIC (Department of Trade Promotion)

Analysis and Summary – Lao PDR

The analysis in this part refers to PEST analysis. PEST analysis is a strategic tool used to discover, evaluate, organize, and track macro-economic factors which can impact on the focus business now and in the future. The framework examines opportunities and threats due to Policy (P), Economic (E), Social (S), and Technological (T) forces. The analysis results are summarized in Table 3 according to 6 topics that are enabling factors for green public procurement.

Table 7 Analysis Summary of Enabling Factors of Green Public Procurement - Lao PDR

PEST Section	Analysis Summary
Policy	1. GPP is a national priority concern <ul style="list-style-type: none"> • SDG Roadmap • Green Growth Strategy • 8th and 9th NSEDP
Policy	2. Procurement method is open to green product/service purchasing The Law on Public Procurement, amended 2017, Article 4 Government Policy on Public Procurement, states that the government promotes public procurement by protecting the rights and preserving the environment for green sustainability.
Economic	3. There is an incentive for green production There are incentives for some types of industrial states in the Law on Industrial Processing and SME Development Plan which can apply to green production such as promotions for technologies and machineries, customs and tax privileges, and marketing support.
Social	4. Concern for the environment There is growing awareness of and demand for organic products.
Technological	5. There are green products/production no information
NA	6. There are many certification bodies mostly in services, but no environmental standard for products. (National Standard Mark) and other types of ecolabel exist. (Lao Organic)

3.3 Myanmar

Myanmar has committed to implementing the SDGs, including SDG 12, and to this end, has already started to localize them for implementation. However, from government officials, NGO staff and academics to the general public, awareness of SDGs in Myanmar is relatively low, and baseline data are only partly available. Several initiatives in support of industrial energy efficiency have been backed by the Global Environment Fund. In addition, under the SME Development Law (2015), committees have been created to promote SME development. Green financing for SMEs is made available through the Central Bank of Myanmar, the Small and Medium Industrial Development Bank, Myanmar Insurance, and various international organizations. With the support of the WWF, a Green Economy Strategic Framework was developed in 2016. In the context of Myanmar's Intended Nationally Determined Contribution (INDC), which was submitted to the UNFCCC in 2015, Myanmar has designed a Myanmar Climate Change Strategy & Action Plan (MCCSAP) 2017-2030, comprised of six sectoral action plans, as mandated by the National Climate Change Policy. Collectively, those plans provide a roadmap to guide Myanmar's strategic responses to address climate-related risks and opportunities over the next 15 years and beyond. In 2018, the Ministry of Planning and Finance published the Myanmar Sustainable Development Plan (MSDP) 2018-2030, which incorporates existing and draft plans and policies and sets out three pillars, five goals, 28 strategies and 251 action plans.

In terms of public procurement in Myanmar, while the Central Statistical Organization occasionally provides some country information to donors and multinational agencies, the people of Myanmar are unable to access government documents detailing public revenue, expenditures and government procurement, as the present administration has not yet made these documents publicly available. Without a public reporting system and freedom of information laws, public procurement either goes by the lowest price principle or is directive-driven. The Environmental Conservation Department, Ministry of Natural Resources and Environmental Conservation (MONREC), is in charge of sustainable development projects involving inter-ministerial coordination (including climate change).

This analysis study of National Green Public Procurement and environmental labels in Myanmar has identified and assessed the enabling factors (policies and legislative documents, institutional arrangement, GPP implementation mechanisms, environmental labels, and market status) which lead Green Public Procurement and environmental labels with the objective of determining the potential for implementing Green Public Procurement and environmental labels. The results of the analysis of the enabling factors are described in 5 aspects in the following sections.

Aspect 1: Policies and Legislation

The ***Myanmar Sustainable Development Plan (MSDP)*** provides a long-term vision of a peaceful, prosperous, and democratic country. Founded upon the objective of giving coherence to the policies and institutions necessary to achieve genuine, inclusive, and transformational economic growth, this MSDP has been developed to reinvigorate, reform, and promote bold action. The MSDP has taken maximum advantage of existing sector and thematic-level plans and policies and those currently being drafted. In this regard, the MSDP is intended to provide a whole-of-government development framework that offers coherence to these existing strategic documents, ensuring that they are executed in ways that are consistent with macro-level national development priorities. Therefore, the MSDP is the integration and

distillation of existing plans and priorities. Furthermore, the MSDP mediates between local developmental needs and global sustainable development agenda by aligning MSDP action plans with global SDG targets. The aspects of the action plan which can link to GPP are as follows.

1.5.6 Establish a standardized, transparent and competitive tendering system for public procurement at both national and sub-national levels.

3.6.2 Promote PPP mechanisms which facilitate the development of commercially viable infrastructure projects through greater public-private sector collaboration.

3.6.4 Create an enabling environment in which standardized and transparent competitive international tendering for nationally significant projects is the norm, including but not limited to the enactment of a Procurement law.

5.1.3 Implement plans at all levels to promote the sustainable production, consumption and use of our natural resources.

5.2.5 Increase the productivity and competitiveness of industrial systems through disaster and climate resilience and low-carbon and green characteristics.

The **National Environmental Policy** provides long-term, strategic guidance for achieving a sustainable future for Myanmar. This Policy ensures that environmental protection continues to be a central objective in Myanmar's sustainable development pathway. It requires the mainstreaming of environmental protection into planning and decision-making at all government's levels and in all sectors.

The National Climate Change Strategy and Action Plan 2018-2030 and **Climate Change Master Plan** have set the long-term goal for Myanmar to achieve climate resilience with pursuing a low-carbon growth pathway and inclusively supporting sustainable development as the two strategies by which to achieve this objective.

Myanmar's vision is to be a climate-resilient, low carbon society that is sustainable, prosperous and inclusive, for the wellbeing of present and future generations. The purpose of the Climate Change Policy is to provide long-term direction and guidance to:

- a) Take and promote climate change action on adaptation and mitigation in Myanmar;
- b) (b) Integrate climate change adaptation and mitigation considerations into Myanmar's national priorities and across all levels and sectors in an iterative and progressive manner; and
- c) (c) Take decisions to create and maximize opportunities for sustainable, low carbon, climate-resilient development, ensuring benefits for all.

The National Waste Management Strategy is a guiding document that seeks to address waste management in a more holistic and integrated manner, covering waste in all its forms (solid waste, liquid waste/wastewater, and gaseous emissions). The plan also intended to identify strategic directions, programs and actions to improve all phases of waste management, including solid waste collection, reduction through the 3Rs approach, intermediate treatment and disposal.

The Green Economy Policy Framework is a mission to conserve Myanmar’s natural capital – its forests, rivers, land and biodiversity – by increasing the understanding of and sustaining the value of nature and the benefits it provides to people and the economy. The highlight concept focuses on funding that covers the areas of natural capital, green investments, and sustainable infrastructure.



Figure 21 Policies and Legislation to Accommodate GPP and SDG in Myanmar

The Environmental Conservation Law (ECL 2012) and Rules (ECL Rules 2014) both have implications for domestic and foreign investors in Myanmar. Article 7 of the ECL states the duties and powers of the Ministry of Environmental Conservation and Forestry (MOECF), which include:

- Implementing the environmental conservation policies;
- Planning and laying down national or regional work plans relating to environmental management;
- Laying down, carrying out and monitoring programs for the conservation and enhancement of the environment, and for conservation, control and abatement not to cause environmental pollution;
- Prescribing environmental quality standards, including standards on emissions, effluents, solid wastes, production procedures, processes and products for the conservation and enhancement of environmental quality;
- Submitting proposals to the Committee for economic incentive mechanisms and terms and conditions which may not affect the environment or which cause the least environmental affect for sustainable development in addition to legal affairs and guidelines relating to the environment;
- Facilitating the settlement of environmental disputes and, if necessary, forming bodies to negotiate such disputes;
- Specifying the categories and classes of hazardous wastes generated from the production and use of chemicals or other hazardous substances in carrying out industry, agriculture, mineral production, sanitation and other activities;
- Prescribing the categories of hazardous substances that may affect the environment significantly at present or in the long run;
- Promoting and carrying out the establishment of necessary factories and stations for the treatment of solid wastes, effluents and emissions which contain toxic and hazardous substances;
- Prescribing the terms and conditions relating to the treatment of effluent in industrial estates and other necessary places and buildings and emissions of machines, vehicles and mechanisms;
- Negotiating, cooperating and implementing in respect of international, regional and bilateral agreements, instruments and programs relating to matters of the environment;
- Implementing the international, regional and bilateral agreements accepted by Myanmar for environmental conservation and the enhancement of environmental quality in accord with the guidance adopted by the Union Government or the Committee;
- Causing to lay down and carry out a system of environmental impact assessment and social impact assessment as to whether or not a project or activity to be undertaken by any Government department, organization or person may cause a significant impact on the environment;
- Laying down guidance relating to the management, conservation and enhancement of the environment for the matters of protection of the ozone layer, conservation of biological diversity, conservation of coastal environments, mitigation and adaptation of global warming and climate change, combating desertification and management of non-depleting substances, and management of other environmental matters;
- Obligating and ensuring that polluters compensate for environmental impacts; organizations which obtain benefit from the natural environmental service system contribute funding; and businesses which explore, trade and use the country's natural resources contribute a part of the benefit to environmental conservation works;

- Carrying out other functions and duties assigned by the Union Government relating to environmental conservation.

The ***directives for the procurement procedure No.1/2017*** are issued for tender processes undertaken by Union, Region, and State government departments and organizations in order to prevent any waste of public funds, corruption, or a tender monopoly of any individuals or groups as well as to create fair competition, transparency, responsibility, and accountability and to ensure that such kind of construction, purchases, procurement of services, lease and sale are beneficial to and effective for the country and the public.

Environmental Impact Assessment Guidelines: 2015

The EIA procedure in Myanmar starts with the submission of a project proposal to the ECD. On the basis of the provided information, the ECD makes a screening decision on whether an EIS or IEE is required or not and then also determines whether an EMP is required for the respective project.

The EIA procedure comprises the following steps: 1) scoping conducted by the proponent (incl. public consultation); the proponent prepares the scoping report and the TOR for the EIA and will send it to the ECD for review and approval. 2) EIA reporting by the proponent including public consultation; 3) EIA review carried out by the EIA Review Body including public consultation organized by the ECD; 4) EIA/EMP approval decision taken by the Ministry and made public. In the case of an approval, the Ministry will issue an Environmental Clearance Certificate including conditions; and 5) monitoring, which includes self-monitoring by the proponent as well as compliance monitoring by the Ministry.

NATIONAL ENVIRONMENTAL QUALITY (EMISSION) GUIDELINES: 2015

These National Environmental Quality (Emission) Guidelines (hereafter referred to as the 'Guidelines') provide the basis for the regulation and control of noise and vibrations, air emissions, and liquid discharges from various sources in order to prevent pollution for the purposes of protection of human and ecosystem health.

These Guidelines have been primarily excerpted from the International Finance Corporation (IFC) Environmental Health and Safety (EHS) Guidelines, which provide technical guidance on good international industry pollution prevention practice for application in developing countries. The Guidelines are generally considered to be achievable in new facilities by existing technology at reasonable costs. The application of these Guidelines to existing facilities may involve the establishment of site-specific targets, with an appropriate timetable for achieving them.

Emissions Guidelines shall apply to any project subject to EIA Procedure, as adopted by the Ministry, in order to protect the environment and to control pollution in the Republic of the Union of Myanmar. These Guidelines specifically apply to all project types listed in the EIA Procedure under 'Categorization of Economic Activities for Assessment Purposes' which sets out projects that are subject to EIA or initial environmental examination.

Aspect 2: Institutional Arrangement

The Government of Myanmar, by way of cabinet notification 5/2020, has assigned ***The Development Assistance Coordination Unit (DACU)*** to take responsibility for ensuring that development assistance to Myanmar is efficient, effective, well-coordinated, and nationally owned. DACU currently has the State-counsellor as its chair together with the Minister of Planning, Finance and Industry (MOPFI) and the Minister of Investment and Foreign Economic Relations (MOIFER) as vice-chairs.

The Ministry of Planning, Finance & Industry (MOPFI) is responsible for fiscal policy, oversees national planning processes, and facilitates the planning and execution of Myanmar's annual budget. The departments under the MOPFI and their related responsibilities in relation to public procurement are elaborated as follows:

In line with the 12-point Economic Policy and the MSDP's goals and strategies, ***the Planning Department*** oversees the preparation of Myanmar's annual investment program (capital budget) and supports the work of the Planning Commission chaired by the President. The Planning Department also coordinates with government entities responsible for sectoral, ministerial, sub-national and other development plans and strategies, and with state and regional government bodies responsible for respective sub-national plans. The Planning Department has been playing an important role in the nation's sustainable development including monitoring and analyzing key economic and social trends in Myanmar; assessing their implication on national developmental, fiscal and monetary policies; and advising on sectoral development priorities, including providing assessments of the fiscal implications of certain proposed projects and programs.

Also, MOPFI helps promote the private sector and the development of Public and Private Production projects with priority on inviting co-operation that facilitates the transfer of technology production methods and offering investment promotions for the development of the industrial sector. The Ministry also ensures efficient utilization of available resources and the promotion of value-added products based on locally available natural resources, while also helping small & medium-sized businesses to develop by providing them with loans.

The Public Procurement Rules and Regulations Supervision Committee (PRRSC) was established in 2015 with Deputy Minister of Planning, Finance & Industry (MOPFI) as its Chair. PRRSC has been set up to develop a full-fledged unified procurement legislative framework, including an overarching Public Procurement Law (PPL) and secondary legislation in the form of Public Procurement Rules (PPRs), to serve as the foundation to build a sustainable and efficient public procurement system for the country.

The Project Appraisal & Progress Reporting Department (PAPRD) within the MOPFI is responsible for appraising, monitoring and evaluating projects implemented by the Government of Myanmar cost at more than MMK 5 billion. The PAPRD also provides analysis and learning to respective government entities in order to inform policy and decision making.

The Central Equipment Statistics & Inspection Department (CESID) is responsible for establishing policy; collecting and maintaining records and other data regarding state-owned vehicles, machinery and office equipment; and in doing so, ensuring efficient, effective, economical and ethical use of certain Government of Myanmar assets for the equipment sector. The CESID is also responsible for checking

technical specifications and pricing for the proposal of capital budget for the equipment sector for the union level of ministers and organizations and for cooperation with line ministries in order for state-owned vessels, aircraft, locomotives, coaches and heavy equipment to be sold by auction.

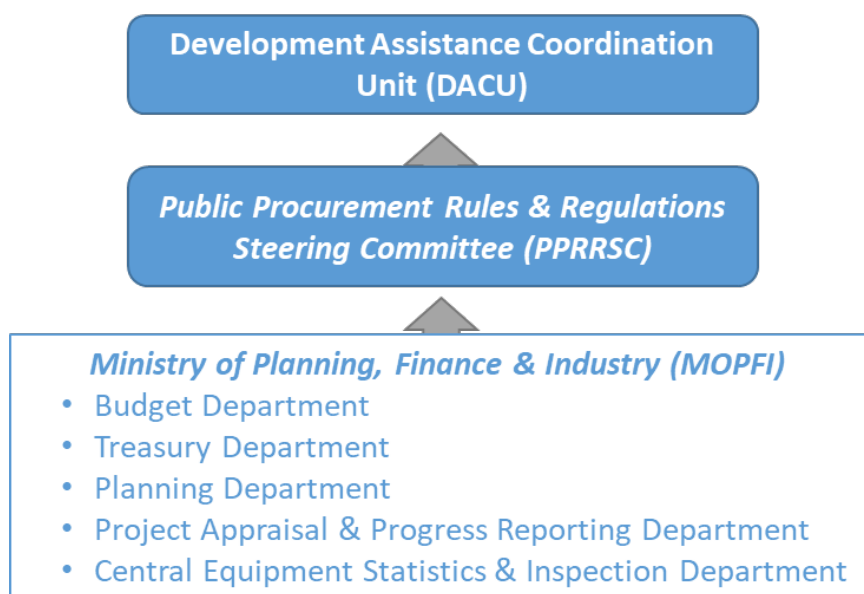


Figure 22 Public Procurement Structure in Myanmar

The Industrial Supporters:

Department of Environmental Conservation (ECD) under **the Ministry of Natural Resources and Environmental Conservation (MONREC)** is responsible for the implementation of national environmental safeguards and the relevant government ministries and agencies. This includes engaging with international organizations to develop National Environmental Policy, Environmental Conservation Rules and Regulations

Ministry of Commerce (MOC) is responsible for producing/maintaining a sufficient supply of essential and important goods for domestic consumption and manufacturing industries and ensuring stability of prices.

Myanmar Investment Commission (MIC) is a government-appointed body which is responsible for verifying and approving investment proposals. It also regularly issues notifications about sector-specific developments. The objectives of the MIC include:

- To protect investors according to the new investment law promulgated by Union Hluttaw (Parliament)
- To safeguard environmental conservation
- To emphasize social impacts

- To practice accounting and auditing in accordance with international standards in financial matters – including transparency and accountability
- To create job opportunities
- To abide by existing labour law
- To support corporate social responsibility
- To transfer technology

Aspect 3: GPP Implementation Mechanisms

The Government of Myanmar (GOM) decided to undertake political and economic reforms in order to open the country to the global economy, boost its growth, and reduce poverty. Establishing an effective and efficient national procurement system as part of the overall public financial management (PFM) reforms to bring consistency in approach and deliver value for money with integrity has since been high on the Government's agenda.

Planning & Budgeting

With reference to the Tender Procedure for the Procurement of Civil Works, Goods, Services, Rental and Sale of Public Properties for the Government Departments and Organizations issued by the President's Office in April 2017, the process of planning or budgeting is not really specified. From the returned questionnaires, the answers on this process indicated that there is an average allowance of 370,000,000 MMK in the department budget for procurement, but there is no specific budget allowance for the procurement of green products.

Method of Procurement

With reference to the Tender Procedure for the Procurement of Civil Works, Goods, Services, Rental and Sale of Public Properties for the Government Departments and Organizations issued by Directive No.1/2017 President's Office in April 2017, union, regional and state government departments and organizations require permission for tenders paid for from the union, regional or state budget as follows:

- a. Capital-intensive projects and businesses that will be tendered shall be included in the national plan and budget of the relevant fiscal year.
- b. Machines, office equipment, office vehicles and other capital expenditure shall be included in the budget of the competent department or organization.
- c. Matters that are paid for from the ordinary budget, such as raw materials, medicine, medical equipment and educational materials, and maintenance expenses from projects and businesses which are capital-intensive, shall be put into the annual budget of the relevant department or organization.
- d. Construction and purchases that will be funded with foreign currency shall be included in the annual record of foreign currency usage of the relevant department or organization.

The construction, purchase, consultation services and non-consultation services, lease and sales procured by the union, regional and state government departments and organizations shall comply with the following procedure:

- (a) Screening to determine whether there is a permitted budget.
- (b) Making a purchasing plan and obtaining confirmation.
- (c) Developing tender documents including the documents related to the contract.
- (d) Calling and announcing the tender.
- (e) Screening and accepting the tender.
- (f) Notifying the reports which shall include suggestions for the contents of the contract and an evaluation of the tender.
- (g) Announcing the tender winner.
- (h) Concluding the contract and amending the contract.
- (i) Managing the contract including the payment.

The Tender Committee shall establish a Tender Acceptance and Evaluation Committee which will be composed of 3-5 representatives from relevant departments that are well-versed in the construction, purchase, and procurement of services in addition to representatives from the purchasing department.

Evaluation Standards

The evaluation of tender bidders shall include the following checks:

- Completeness of documents
- Tender guarantee
- Meet specified capacity
- Permission from the producer if required
- Experience of tender bidder
- Compliance with specified standard
- Compliance with specification of the business

In the case of bids for large and complex projects, such bids shall be evaluated with a rating point system which considers:

- Experience and capacity of the tender bidder (0-10 points)
- Methodology (0-10 points)
- Compliance with important standards (0-20 points)

- Professional employees (0-10 points)
- Offer price (50-70 points)

Contracting

Direct contracts can be made in the following cases:

- When a spare part or replacement for machinery and/or equipment currently being used can only be bought from the original supplier
- Limiting eligible bidders in tenders for state defense, state security and electronic security matters may be done in accordance with the policy of the Ministry of Defense and the Ministry of Transport and Communication.

Contracts can be negotiated in the following case: If goods and services are provided by state-owned enterprises and match the criteria, ministries shall purchase them by negotiating a contract directly.

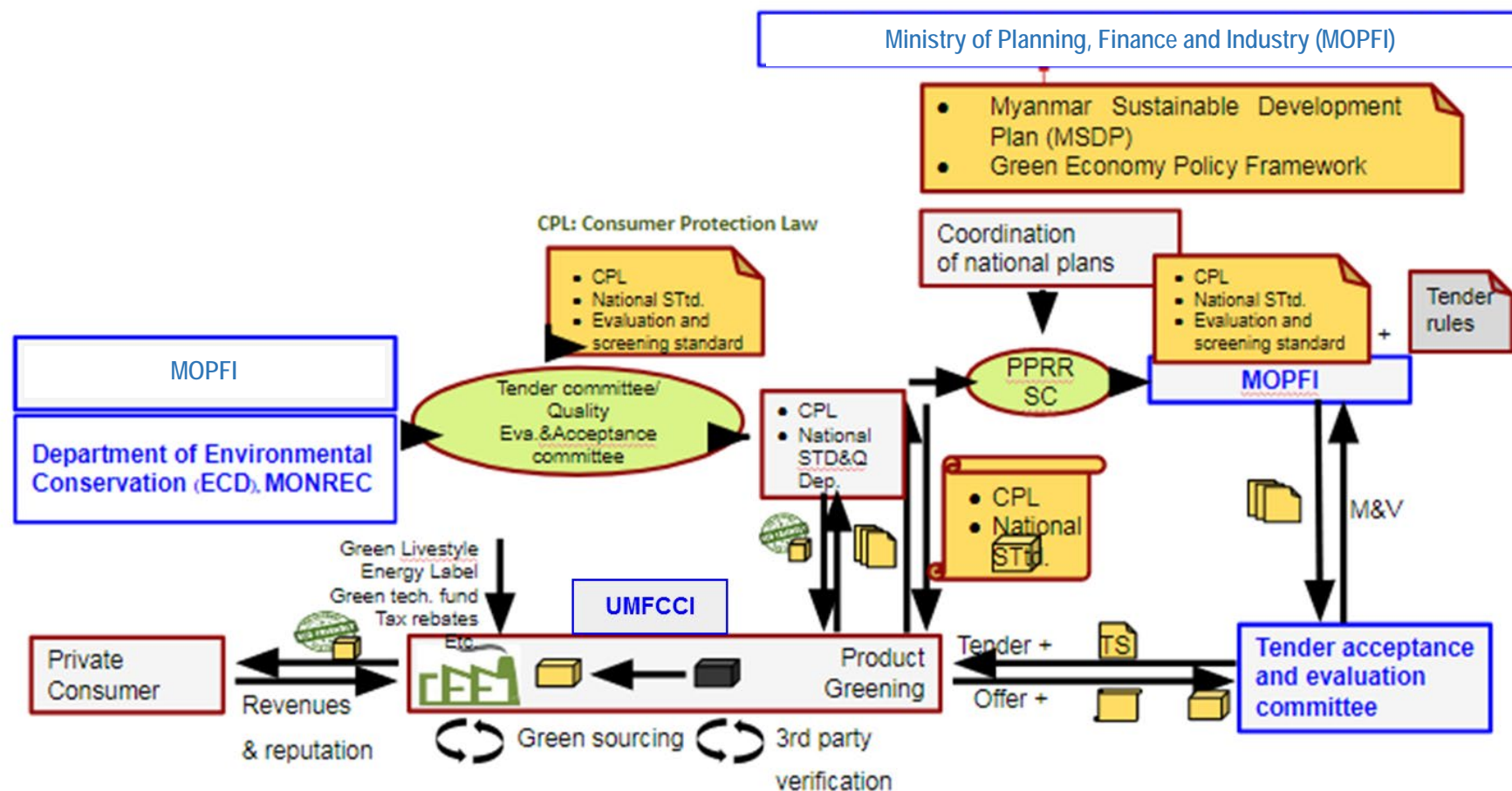


Figure 23 Proposed GPP Implementation Mechanism for Myanmar

Aspect 4: Environmental Labels

The National Standards and Quality Department (NSQD) under the Ministry of Education (MOE) has been undertaking the development of the National Quality Infrastructure of Myanmar with the three main branches of the Standardization Department, Accreditation Department and National Institute of Metrology.

The objectives of the Law on Standardization (The Pyidaungsu Hluttaw Law No.28/ 2014) are as follows:

- i. To enable the Myanmar Standards to be determined;
- ii. To support export promotion by enhancing the quality of production organizations and their products, production processes and services;
- iii. To protect the consumers and users by guaranteeing imports and products are not lower than prescribed standards, and safe from health hazards;
- iv. To support the protection of the environment from the impacts of products, production processes and services, and the conservation of natural resources;
- v. To prevent the manufacturing, distribution and importation of disqualified goods which do not meet the prescribed standards and those which are not safe and endanger the environment;
- vi. To support the establishment of the ASEAN Free Trade Area and to facilitate the reduction of technical barriers to trade; and
- vii. To facilitate technological transfer and innovation by using the standards for the development of national economic and social activities in accordance with the national development program.

The National Standards and Quality Department, Department of Research and Innovation (DRI), which is a Myanmar Standards Body, promulgated the law on standardization on 3 July 2014.

The **Myanmar Standards** are the result of approval by the National Standards Council and were developed by the Myanmar National Standards Body and Technical Sub-Committees in accordance with the objective of the Law on Standardization through a six-step process:

Stage 1. Proposal

Stage 2. Preparatory

Stage 3. Technical Sub-Committee

Stage 4. Enquiry

Stage 5. Approval

Stage 6. Publication

Any person, government agency or organization may submit a written proposal to the Myanmar National Standards Body for the development of Myanmar Standards.

Details of the new **Consumer Protection Law 2019** (CPL), the Pyidaungsu Hluttaw, passed Law No. 9/2019 on 15 March 2019 are as follows:

- a. The new Consumer Protection Law 2019 (CPL), which repeals the previous Consumer Protection Law 2014, was passed on 15th March 2019 and is comprised of 25 chapters and 84 sections which, among other notable inclusions, regulate the rights and obligations of consumers and producers, set the mechanisms for resolving disputes between consumers and entrepreneurs, and set out clear roles and responsibilities of the Consumer Protection Commission.
- b. The new CPL aims to provide more protection by ensuring the protection of consumer rights, and by taking action against violations of consumer rights.
- c. According to the CPL 2019, a “consumer” is defined as a person who purchases, uses, obtains, rents or receives goods or services not for trading or vocation but for the purpose of personal consumption, or for consumption by another person. The Law will also ensure fair trade and the free flow of information in the market. If it is correctly implemented, it will achieve its objective of making goods and services that are available to consumers safer, of better quality, and environmentally friendly.
- d. The new CPL 2019 contains mandatory labeling requirements (Chapter 18) for goods and refines Product Labeling Notification 1/2018 and 1/2019 issued by the Central Committee for Consumer Protection. It took effect on 16th March 2020, one year after the promulgation of the new law. In addition, the accompanying Directive No (2/2019) on labeling was issued by the Myanmar Consumer Protection Commission. The provisions require entrepreneurs to provide information or instruction on the product’s type, size, quantity and net amount, storage guidelines, usage method, and side effects, as well as any allergic precautions and warnings in regard to the goods, stated either in Myanmar Language or jointly in Myanmar and other languages.
- e. In the CPL (2019), the entrepreneur must explicitly state the following facts regarding the labeling of goods based on types in accordance with the stipulations:
 - The trademark of goods;
 - The type, size, quantity, net amount, storage guidelines and usage method of goods;
 - The manufactured date, expiry date and serial code number;
 - The name and address of the importer and the name and the address of the manufacturer if the goods are imported;
 - The origin of manufacturing or the repackaging address of imported goods;
 - The names of ingredients, their quality and their ratio contained in the goods;
 - Relevant precautions and warnings about allergies and side effects;
 - The facts prescribed by the relevant government departments to be stated; and
 - The aforementioned (b) and (g) must be in Myanmar Language or Myanmar language and other language(s) in combination on the labeling of goods.

Environmental Labels in Myanmar

There are various certification schemes and types of ecolabel as listed in the following.

(1) Programme for the Endorsement of Forest Certification (PEFC)

The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organization dedicated to promoting sustainable forest management (SFM) through independent third-party certification. The PEFC works throughout the entire forest supply chain to promote good practice in the forest and to ensure that timber and non-timber forest products are produced with sustainability in mind.

Conformity with the PEFC standard is verified by an independent organization (third party) following ISO 17011 Accreditation, ISO 17021 Management system certification, ISO 19011 QMS and EMS auditing (and auditor qualifications), ISO / IEC Guide 65 Product Certification, ISO Guide 59; ATO, ITTO/IUCN, ITTO and MCPFE.

(2) TCO Certified

TCO Certified is an international sustainability certification standard for IT products that guarantees environmental and social responsibility where the product was manufactured, user safety and ergonomic design as well minimal environmental impact from both the product and its production during its whole lifecycle.

Conformity with TCO Certified' s standard is verified by an independent organization (third party) following ISO 17011 accreditation, ISO 17021 management system certification, ISO 17025 testing and calibration laboratories, ISO / IEC Guide 65 Product Certification.

Valid Criteria of Green Product Mark:

1. Wearable Devices
2. Cordless Phones
3. Routers
4. Washing Machines
5. Televisions
6. Kitchen Machinery
7. Furniture
8. Routing Switches
9. Textiles, Shoes and Bags

Certification Criteria for Green Product Mark under development/revision (as September 2020):

1. Flooring
2. Paints and Coatings
3. Photovoltaic Modules

(3) EarthCheck's standard

It is verified by an independent organization (third-party) following ISO 17021 management system certification. EarthCheck is a benchmarking certification and advisory group for travel and tourism. Since 1987, EarthCheck has helped businesses, communities and governments to deliver clean, safe, prosperous and healthy destinations where travelers can visit, live, work and play. EarthCheck's approach has been to help operators break resource challenges into manageable actions that can be taken forward by management teams starting with the recognition that you cannot manage what you do not measure. EarthCheck has over fifteen years of evidence-based research on operational performance.

Table 8 Environmental Labels in Myanmar



Scheme	verified by CB	verified by CB (ISO 17011, ISO 17021, ISO 17025, ISO 17065)	verified by an independent organization (third party) following ISO 17021
Scope	Forest Management timber and non-timber forest products	IT and electronics products	EarthCheck is a benchmarking certification and advisory group for travel and tourism. Since 1987, has over fifteen years of evidence research on operational performance.
Criteria	Sustainable Forest Management	Environmental and social responsibility where the product is manufactured, user safety and ergonomic design as well minimal environmental impact for both the product and its production during the whole life cycle	EarthCheck have helped businesses, communities and governments to deliver clean, safe, prosperous and healthy destinations for travellers to visit, live, work and play. Approaching has been to help operators break resource challenges into manageable actions that can be taken forward by management teams starting with the recognition that you can't manage what you don't measure.

Aspect 5: Market

Myanmar experienced rapid economic growth over the last two decades, at 7.9% on average in the 1990s and 11.5% in the last decade. Myanmar's nominal GDP per capita in terms of US dollars increased by 10.8 times during the last two decades, which is the second-highest rate in ASEAN after Vietnam (see appendix B). The Gross Domestic Product (GDP) in Myanmar was worth 76.09 billion US dollars in 2019, according to official data from the World Bank. The GDP value of Myanmar represents 0.06% of the world economy.

The share of GDP contribution from the manufacturing sector was estimated at 21% followed by trading and transportation with 18% and 14%, respectively. The livestock & fisheries and agriculture sectors have shared the same level of GDP at around 10%.

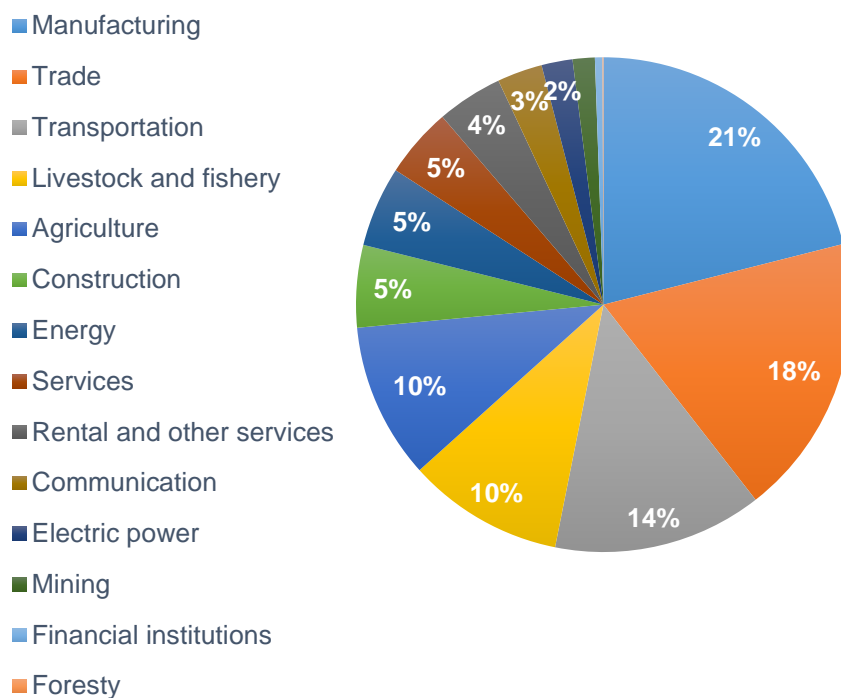


Figure 24 Myanmar GDP Share by Sectors in 2018³⁶

In November 2019, consumer spending report by the European Chamber of Commerce in Myanmar, the country was observed to have a traditional savings and investment-oriented population. A typical Burmese citizen saves 55% and spends 45%, with most spending going on food & beverages (15%), personal care and household products (7%), and transportation, rent & utilities (6%).

³⁶ Source: <https://www.statista.com/statistics/1063582/myanmar-value-gdp-contribution-by-sector>

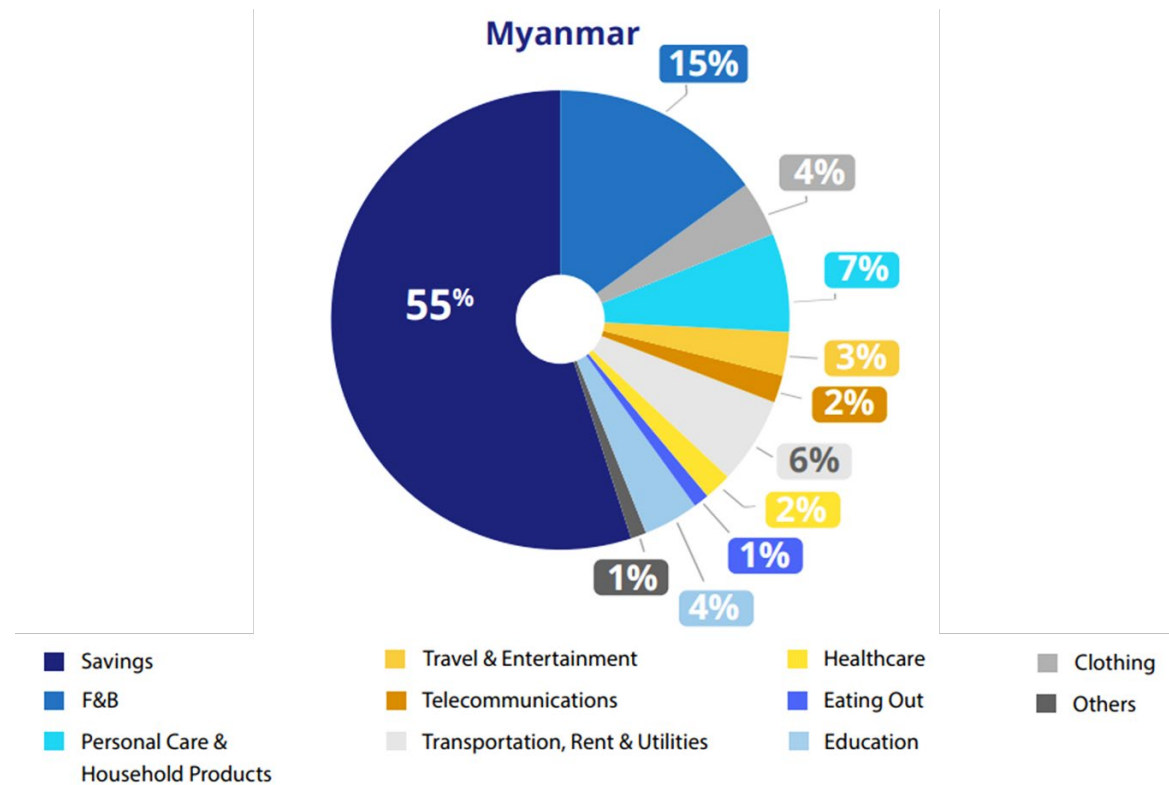


Figure 25 Total Average Consumer Spending (2018)

Government expenditure accounted for between 23.4% and 26.2% of GDP (from 2014-2017). The average expenditure during 2014-2017 across the public sector consolidated was between 4.9% and 6.9% with Union government expenditure ranging from 4.0% to 5.4%. Expenditure on the procurement of goods and service has been increasing from 2014 by around 50% and accounts for around 3-5% of total expenditure.

Table 9 Public Sector Expenditures (Share of GDP)

	2014/15	2015/16	2016/17	2017/18
	PA	PA	PA	RE
Total Expenditure	26.2%	26.0%	23.4%	23.8%
Ministries	12.0%	12.9%	12.3%	12.9%
Defense	3.8%	4.3%	3.7%	3.5%
Agriculture	1.5%	1.5%	1.2%	1.1%
Energy	0.2%	0.2%	0.3%	0.5%
Education	1.9%	2.1%	2.0%	2.0%
Health	1.1%	1.1%	0.9%	1.2%
Planning and Finance	1.3%	1.2%	1.5%	2.3%
Other Ministries	2.4%	2.5%	2.7%	2.4%
SEEs	11.5%	10.6%	8.8%	8.8%
SAOs	0.2%	0.1%	0.1%	0.1%
Other	2.5%	2.4%	2.2%	2.0%

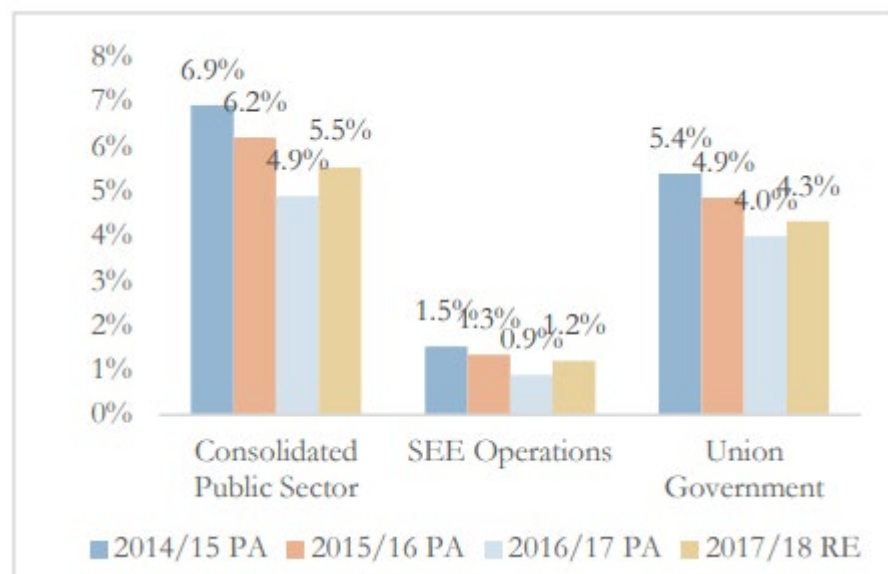


Figure 26 Capital Expenditure across the Public Sector (Percentage of GDP)

	2014	2015	2016	2017	2018
Expense	5,867	6,600	7,125	7,651	8,909
Compensation of employees	1,872	1,856	2,699	2,863	3,483
Use of goods and services	2,215	1,837	1,948	2,913	2,083
Consumption of fixed capital	...	...	...	...	...
Final consumption expenditure	38,793.1	40,610.0	41,519.7	43,303.1	...
Household final consumption	...	...	...	...	...
Government final consumption	...	...	...	...	...

Figure 27 Expense Share by Category

Myanmar's export-import trade was primarily with Asian nations, including about half with ASEAN countries. Japan, Singapore, Malaysia, and China are its major trading partners. The country's exports are mostly agricultural products. They include pulses and beans, teak, prawns, rubber, rice and other agricultural products. The most imported-exported household products are textiles, footwear and headwear, and plastic and rubber with trading values of 5,498.14, 539.90, and 431.78 million USD, respectively. For wood products, the highest export value comes from wood charcoal, wood (rough), sheets for veneering plywood or similar laminated wood, and wood products for building, including cellular wood panels, assembled flooring panels, shingles and shakes.

Table 10 Summary of Economic Information - Myanmar

Myanmar		
GDP (Million USD)	2019	76,090
	2018	76,170
	2017	68,950
	2016	67,180
	2015	67,820
GDP Manufacturing (Million USD)	2019	-
	2018	20,610
	2017	18,790
	2016	17,100
	2015	15,560
GDP by Sector (2018) (percent)	Services	5
	Manufacturing	21
	Agriculture	10
	Construction	5
	Transportation	14
	Mining	1
	Public Administration	-
	Utilities	-
GDP Expenditure Share (percent of GDP)	Household Consumption + Private and Nonprofit Organizations	Total Consumption (%)
		71.3 (2017)
		73.3 (2016)
	Service Consumption	74.0 (2015)
		71.6 (2014)
		Household Consumption 59.2 (2017)
	Government Consumption	Service Consumption 8.1 (2017)
		<ul style="list-style-type: none"> • Economic affairs 22.45 • Defense 20.74 • General Public Service 18.80 • Education 13.96 • Health 6.96 • Housing and Community Amenities 6.32 • Social Protection 5.39
		<i>*calculate % from 2018 record</i>
		4.3 (2018)
		4.0 (2017)
		4.9 (2016)
		5.4 (2015)
		<i>*record of union government</i>

GDP Expenditure Share by Activity 2018 (percent)	Services	<ul style="list-style-type: none"> • Trade & Repair of Motor Vehicles + Hotel & Restaurant 18.53 • Transport & Communication 18.07 • Education + health + social works + entertainment and recreation 2.80 • Public admin. 2.57 • Finance & insurance 0.60 <p><i>*calculate % from 2017 record</i></p>
	Manufacturing	<ul style="list-style-type: none"> • Electricity 1.29 • Mining 1.15
	Construction	5.63
Top 5 Import / Export Product Groups 2018 (value Million USD)	Import	<ul style="list-style-type: none"> • Machinery 5,117 • Textiles 3,729 • Transportation 2,249 • Plastic & Rubber 1,286 • Miscellaneous 465
	Export	<ul style="list-style-type: none"> • Textiles 5,498 • Footwear & Headwear 540 • Plastic & Rubber 432 • Wood Products 372 • Animal Hides 349
Production Capacity and Trend (2018)		<ul style="list-style-type: none"> • Textiles 304 Th. pieces (-) • Soaps 7,760 Ton (-) • PVC Cable 2,405 rolls (-) • Cement 1,982,000 MT (+) • Bricks 7,400 Th. pieces (-) • Glass 29,218 ton (+) • Tiles 2,075 Th. sheets (+) • Tires & Tubes 167,308 units (+) • Motor Vehicles 12,000 units (2017)

Summary of Returned Questionnaires

Section 1: From Policy Maker/Regulator/Implementer

After the “Procurement Law” is enacted, it is expected that regulation for this law will allow for the procurement of environmentally friendly products. The Treasury Department is developing Procurement Law and Policy in Myanmar.

In the opinion of the interviewees³⁷, GPP is suitable for Myanmar’s economy. By implementing a GPP system, electricity consumption, environmental damage, and soil erosion can all be reduced. GPP can also reduce the adverse effects of weathering and improve the health of humans and animals. In terms of a green environment, the system also prioritizes the purchase of environmentally friendly products.

The MOPFI spends an average of 370,000,000 kyats (200,000 USD) annually on procurement. There is no separate budget for GPP. There is no support or incentive to manufacture green products, but if the product type is the same, the MOPFI will give priority to buying green products (for example, only R410a gas type air-con units and refrigerators are purchased as priority).

Procurement is made in accordance with tender terms and conditions No. 1/2017. Representatives from related departments and organizations are also involved in forming procurement committees. They are responsible for inspection, monitoring of the products and services, and procurement.

The most purchased items are vehicles and parts, including motor vehicles, tires, batteries, engine wine, and automotive spare parts, as well as stationery, toner/cartridges, computers, printers, and office furniture.

There will be many benefits to accessing healthier products and protecting the environment. This is a must-have for any affiliate, promotion and program. There is a need for issuing more systematic guidelines, rules and regulations, including raising awareness

Section 2: From the Industrial Supporter

The Environmental Conservation Department (ECD) can take part in the development of GPP policy, strategy and standard procedures in Myanmar. The UMFCCL is a national apex organization which aims to cooperate closely with affiliated associations, development partners and businesses for the sustainable development of the private sector. Involvement can take multiple forms, ranging from advocacy roles to institutional partners and implementation.

³⁷ Interviewees from: the Ministry of Finance, Planning and Industry (MOPFI) and the Department of Consumer Affairs (DOCA)

The ECD can take a coordination role as the focal point for taking part in the development of GPP policy, strategy, and standard procedures in Myanmar.

The UMFCCL can support the implementation of the GPP as an effective representative of local business. By virtue of membership, the UMFCCL is well placed to disseminate policies in the private sector as well as providing guidance, workshops, and training to the businesses by partnering with different local and international organizations.

There are few local initiatives. But these are not properly labelled as green production. The obstacles for having green production include local producers' lack of knowledge and technologies, limited stakeholder awareness, prohibitive production costs, policy, and the need for standards for quality assurance. The solution requires training and exposure, forums or workshops, evidence-based advocacy, media engagement including government incentives, and access to a profitable market.

Currently, there are no support measures or incentives to engage in green production in Myanmar. For the most appropriate/suitable approach to develop GPP policy and its implementation, the government of Myanmar should learn and take the lessons, prototypes, and technical assistance from the countries where GPP is already well established and then adapt them according to local context.

Even though initial capital investment cost seems to be high due to the technical requirements and market demand situation, there might be changes in consumer behaviour or government procurement practices on green products since using green products can reduce maintenance costs and the use of resources.

A lack of GPP oriented standard protocols, low awareness, technology and financial requirements, market conditions and the demand situation are all barriers/challenges for implementing green public procurement in Myanmar. More active involvement from the private sector, the provision of incentives, and the development of standards for green products are the proposed solutions to overcome those barriers.

The ECD has made it a priority not to use air conditioners which contain materials that can deplete the ozone layer, such as CFC gases. However, no specific operational practices are in place on the procurement of products and services in the process of procurement planning and budgeting per year. The ECD follows presidential office directive 1/2017, whereby the tender procedures to be followed by government departments and organizations in the construction, lease and sales, products and services procurements require technical specifications, rating rules and pricing to be considered.

The main purchased products are stationery and office products (paper, printers, copiers, cartridges, computers, air conditioners, projectors, electronic equipment, lab equipment and office furniture). Since the department involved in the ECD, environmentally friendly products are prioritized for purchasing. At the moment, purchases are made based on the market, product/service price, and budget allowance.

The problems with procuring environmentally friendly products are as follows:

- a) Price gap, limited budget allowance, no instant availability of spare parts, and efforts needed in matching original brand/types.

- b) The need for support, incentives, and quality assurance for consumers for the large-scale production of environmentally friendly products³⁸.

However, the reduction of greenhouse gases (GHG), capacity building and the sustainable consumption of resources will be beneficial for the country in the long term. For increasing awareness on the benefits of using green products by consumers, there should be education, incentives, and quality assurance for green products.

Section 3: From Product Certification Body

The National Standards and Quality Department, Department of Research and Innovation (DRI), which is Myanmar's Standards Body, promulgated the law on standardization on 3 July 2014. The law on standardization covers a 6-step process: 1) proposal stage, 2) preparatory stage, 3) technical sub-committee stage, 4) enquiry stage, 5) approval stage, and 6) publication stage.

The National Standards Council is responsible for approving all draft Myanmar Standards. There are limited national certification body in Myanmar, although there are some certification bodies from foreign countries, regional and international such as OMIC, SGS, GlobalGAP, etc. based in Myanmar and providing certification services. Most of the products are certified food and agricultural products. For example GAP Certification Body for agricultural products managed by MOALI and Myanmar Timber Legality Assurance System (MTLAS) under Myanmar Forest Certification Committee (MFCC) for forest products.

The existing laboratories have some capacities and potential for testing products. But, most not yet ISO certified laboratories and some under process to step up or under preparations such as FDA laboratory of MOHS and APAL laboratory of MOALI. The criteria that have been mentioned in the signed ASEAN MRAs of product working groups under the ASEAN Consultative Committee for Standards and Quality have not yet been implemented.

The development of green product standards depends on energy saving and environmental protection factors. The specifications for the green product standards need to comply with international standards.

The problems of green product standard development are limited research budget, limited experts, lack of budget allocation, lack of stakeholder engagement, and limited active participation of technical committee members and public-private partnerships³⁹.

³⁸ Interviewees from: the Environmental Conservation Department (ECD), MONREC and the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)

³⁹ Interviewees from: the Department of Research and Innovation, the National Standards Committee, and the Ministry of Education

Analysis and Summary – Myanmar

The analysis in this part refers to PEST analysis. PEST analysis is a strategic tool used to discover, evaluate, organize, and track macro-economic factors which can impact on the focus business, both now and in the future. The framework examines opportunities and threats based on political (P), economic (E), social (S), and technological (T) forces. The analysis results are summarized in Table 11 divided into enabling factors for green public procurement implementation.

Table 11 Analysis Summary of Enabling Factors for GPP in Myanmar

PEST Section	Analysis summary
Political	<p>1. GPP is a National Priority Concern</p> <ul style="list-style-type: none"> • he Myanmar Sustainable Development Plan (MSDP) • ational Climate Change Strategy and Action Plan 2018-2030 • reen Economy Policy Framework <p>2. Procurement method is open to green product/service purchasing Not applicable</p>
Economic	<p>3. There is an incentive for green production no information</p>
Social	<p>4. Concern over the environment Most concerns are over product quality standards and the rights of the consumer in relation to goods and services. Green products are purchased if they are available at the same quality as another product type (for example, air-con units and refrigerators with R410a Gas)</p>
Technological	<p>5. There is Green product/production GAP standard and its certification body are already established to strengthen and step up needs from national to international level. Increasing number of GAP certified products and farmers should not be neglected for Green product/production in Myanmar.</p>
Technological	<p>6. Eco-labelling certified bodies There is a national standard and CPL which do not cover environmental standards</p>

3.4 Vietnam

Vietnam has been developing and implementing various policies, laws and regulations relating to environmental protection, while ensuring environmental sustainability has been mentioned in many National Target Programs (NTPs). The government has also expressed an interest in developing sustainable consumption and production (SCP) in the National Action Plan on Sustainable Consumption and Production (2021–2030) (NAP on SCP). Realizing the urgent need to promote a shift toward more sustainable industrial development pathways and sustainable consumption and production (SCP) patterns, the Vietnam government has paid special attention to the promotion of green growth. The government has approved the Vietnam Green Growth Strategy for the period 2011–2020, with a vision for 2050 to achieve “a decisive tendency in sustainable economic development.”

This analysis study of National Green Public Procurement and environmental labels in Vietnam has identified and assessed the enabling factors (policies and legislative documents, institutional arrangements, GPP implementation mechanisms, environmental labels, and market status) with the objective of determining the potential for implementing Green Public Procurement and environmental labels. The results of the analysis of these enabling factors are described in 5 aspects in the following sections.

Aspect 1: Policies and Legislation

The mass application of cleaner production in order to increase the efficiency of natural resources, materials, energy, and water while reducing emissions and pollution for the protection of the environment is to be prioritized. In the ***Vietnam Sustainable Development Strategy for 2011-2020 Decision 432/QĐ-TTg, dated 12/04/2011***, SCP has been emphasized in the viewpoints and the objectives of the strategy as a way to exploit economically and effectively manage natural resources, particularly non-renewable resources; to implement environmentally-friendly lifestyle and SCP step by step; and to carry out green growth and low-carbon economic development on a gradual basis. For the implementation of SCP, the strategy provides directions on sustainable production as a means to intensify the mass application of cleaner production for resource efficiency and to reduce emissions and pollution. It includes developing a civilized, harmonious and environmentally friendly consumption culture; implementing eco-labels and green shopping; developing an eco-product market and community-based initiatives for SCP; and applying policies to correct unreasonable consumption behaviour.

National Action Plan on Sustainable Consumption and Production Period of 2021-2030 (Decision 889/QĐ-TTg, dated 24/06/2020)

To promote the efficient and sustainable management, exploitation and utilization of natural resources, fuel, and materials; to incentivize the development of eco-friendly resources, fuel, materials, and products which are renewable, reusable and recyclable; to promote sustainable consumption and production on the basis of innovation, creativity, practice and development of sustainable consumption and production models; to promote the sustainable consumption and production of domestic products; to create stable

and green jobs; and to enhance sustainable lifestyles and improve the quality of people's lives towards a circular economy in Vietnam, the following objectives have been set:

1. Develop an effective circular economy in urban settings; promote environmental protection and social security; ensure sustainable production and consumption activities are implemented synchronously and sustainably; promote production, domestic consumption, import and export activities; create stable jobs and green jobs; and promote sustainable lifestyles and improve the quality of life for people.
2. Support businesses and consumers in applying solutions, methods, and innovations in production and business; apply sustainable association to use natural resources, fuels and raw materials effectively; reduce waste generation; promote a circular economy and sustainable development; promote sustainable production and consumption in the direction of the product life cycle approach; promote links in various stages of the supply chain from the extraction of resources, fuel, and raw materials to production, distribution, consumption and disposal; focus on repair, maintenance, reuse and recycling at all stages of the product life cycle; attach importance to innovating, creating, and applying environmentally friendly technologies; and improve equipment and management processes in order to improve and enhance the position and competitiveness of environmentally friendly enterprises.
3. Raise awareness of and enhance the participation in social responsibility of communities, businesses, organizations and individuals through sustainable production and consumption (from production, circulation, distribution, consumption, and recycling, to reuse); and mobilize the participation and contribution of all sectors in society in which businesses and consumers play a central role.
4. Specific targets: In the period of 2021-2025, the city strives to;
 - Reduce the consumption of raw materials and fuels in manufacturing industries by 5-8%, specifically in the textile, beverage, steel, plastic, chemical, and paper industries.
 - Ensure 100% of districts and towns organize information to raise awareness about sustainable lifestyles and consumption.
 - Ensure 100% of industrial zones and clusters and 70% of craft villages have been made aware of sustainable production and consumption.
 - Ensure 100% of supermarkets and trade centers distribute and use environmentally friendly packaging products to replace gradually the disposable plastic packaging, which is difficult to decompose.
 - Build and promote sustainable supply chain development; encourage the distribution of eco-friendly and eco-labelled products at supermarkets and commercial centers.
 - Encourage the integration of content on sustainable production and consumption in training and teaching programs at all training levels.

National Strategy on Green Growth (Decision 1393/QĐ-TTg, dated 25/9/20)

The Vietnam Green Growth Strategy focuses on three priorities: climate change mitigation, green production, and green lifestyle. It is an effort to synthesize the green action plans of major sectors and

society. For the period 2011–2020, the strategy sets the tasks to (i) reduce the intensity of GHG emissions by 8–10% as compared to the 2010 level; (ii) reduce energy consumption per unit of GDP by 1–1.5% per year; and (iii) reduce GHG emissions from energy activities by 10–20%. The orientation towards 2030 is to reduce annual GHG emissions by at least 1.5–2% and to reduce GHG emissions in energy activities by 20–30% (Prime Minister approved decision No.1393/QĐ-TTg, 2012).

The Strategy on Green Growth has been issued with the overall objective of promoting green growth as a means to achieve a low carbon economy and to enrich natural capital. There are three areas involved in achieving these objectives, as follows:

- i. Reduce the intensity of GHG emissions and promote the use of clean and renewable energy;
- ii. Make production greener: promote ‘clean industrialization’ via reviewing and adjusting existing sectoral master plans to ensure the economic and efficient use of natural resources; encourage the development of green industry and green agriculture; and enhance investment in natural capital;
- iii. Promote green lifestyles and sustainable consumption: implement rapid and sustainable urbanization while committing to living in harmony with nature in rural areas and establish 28 sustainable consumption behaviours within the context of global integration.

Main tasks:

- Promoting ecolabelling and public communication on environmentally friendly products.
- Studying ways to promulgate regulations on green public expenditure, including investment expenditure and recurrent expenditure of the state budget, which must prioritize the procurement and use of eco-labelled goods and goods capable of being recycled.

Moreover, the legislation documents which support Green public procurement, such as the ***Guidelines on the implementation of Bidding Law (Decree No. 63/2014/ND-CP)*** as stated in Article 12⁴⁰, stipulates the criteria in terms of the capacity, experience and technical evaluation of bidding packages. The environmental impact of items is included under technical evaluation criteria, which include the characteristics and technical properties of goods, production and manufacturing standards, the economic efficiency of technical solutions, the degree of satisfaction of warranty and maintenance, and financial capabilities. It seems possible to include technical capabilities for environment-friendly products in their technical evaluation by applying this clause. However, since Article 14 of the Bidding Law and Article 6 of the Decree of Bidding Law do not stipulate environmental protection activities, it could be risky to interpret the clauses on ‘Environmental impact and solution’ too broadly. The regulation on green public procurement and the existing ***Law on Bidding No.43/2013/QH13*** indicates that:

⁴⁰ <https://vanbanphapluat.co/decreed-no-63-2014-nd-cp-several-provisions-of-the-law-on-bidding-regarding-the-selection-of-contractors>

1. Bidders shall enjoy preferential treatment when participating in domestic or international bidding to supply goods of which costs for domestic production occupy 25% or more.
2. Entities entitled to preferential treatment in international bidding to supply advisory services, non-advisory services, construction, and instalment include:
 - a) Domestic bidders bidding with independent or partnership status; and
 - b) Foreign bidders in partnership with domestic bidders in which the domestic bidders take over 25% or more of the work value of procurement.
3. Entities entitled to preferential treatment in domestic bidding to supply advisory services, non-advisory services, construction and instalment include:
 - a) Bidders employing female laborers who comprise 25% or more of the total quantity of laborers;
 - b) Bidders employing disabled people as laborers, who comprise 25% or more of the total quantity of laborers;
 - c) Bidders that are small-size enterprises.
4. The preferential treatment is calculated and applied during the assessment of the bid dossiers and dossiers of proposals, in order to compare and rank them according to one of the following methods:
 - a) Additional points added into the assessment points of bidders belonging to entities entitled to preferential treatment;
 - b) Additional amounts added into the bidding price or assessment price of bidders not belonging to entities entitled to preferential treatment.

Law on Environmental Protection (No. 72/2020/QH14) The Law on Environmental Protection 2020 was adopted on 17th November 2020, and will be effective from January 01, 2022; Article 29, provision 3 (Initial environment impact assessment) of the Law will be effective from February 02, 2021. With this Law, Green Procurement is mentioned separately and clearly in Article 146.

Article 146 Green Procurement

1. Green Procurement is the procurement of environmentally friendly products and services which is Vietnam eco-label certified or recognized as stipulated by law.
2. Priority is given to the implementation of green procurement for investment projects and tasks using the State budget according to the Government's regulations.

Law on Environmental Protection (No.55/2014/QH13 June 23, 2014). This law only specifies the responsibility of the heads of public institutions to purchase environment-friendly products as priority without mentioning specific instructions for GPP performance management. Therefore, it could become a nominal provision.

Guiding the implementation of Law on Environmental Protection (Decree No. 19/2015/ND-CP). The principles providing incentives and support, of the Law on Environmental Protection, stipulate the grounds for supporting the production and consumption of environment-friendly products. In addition, Article 45 of the Decree (Value-added tax incentives) states that the Prime Minister shall stipulate value-added tax incentives for a number of environmental protection products and services. For the

environmental protection products and services that correspond to the 12th and 13th items of Annex 3, Article 46 enables price subsidies while Article 47 stipulates that public institutions shall prioritize public procurement of prescribed products. These obligations establish legal grounds for GPP in the Law on Public Procurement, and aid in the regulation of the public procurement of environment-friendly products in cooperation with MONRE.



Figure 28 Policies and Legislation Supporting GPP Implementation

Aspect 2: Institutional Arrangement

The National Strategy on Green Growth (2011-2020), the Vision to 2050 and the Strategy on Cleaner Industrial Production until 2020 are key policies related to SDG 12.

Goal 12: Ensure sustainable production and consumption

Target 12.7: Ensure sustainable public procurement practices

- Issue regulations on green public procurement. Give priority within State procurement to the utilization of goods that have been tagged with ecological labels and goods that are recyclable.
- Implement regulations specifying that works and projects financed from public investments must apply green economy standards, standards on energy consumption, material utilization, ecologically suitable designs, and consideration for climate change impacts
- Periodically consolidate information on and evaluate the implementation of sustainable public procurement and relevant mechanisms and policies. Recommend revisions of and amendments to such mechanisms and policies whenever necessary.
- Review, revise and amend existing regulations on public contracting and investment, specifically integrating green procurement standards in the selection of contractors that supply goods and services to works and projects funded by State budget resources.

The ***Ministry of Planning and Investment (MPI)*** performs state management functions in the fields of planning and investment, including the provision of general advisory services on strategies and planning initiatives. The ***Ministry of Natural Resources and Environment (MONRE)*** performs state management functions in the fields of land, water resources, mineral resources, geography, environment, meteorology, measurements, mapping, sea and islands. The ***Ministry of Industry and Trade (MOIT)*** performs state management functions in the fields of 12 industrial sectors and 11 trading areas: and the state management of public services in the branches and domains under the Ministry's state management. The ***Ministry of Agriculture and Rural Development (MARD)*** performs state management functions in the fields of agriculture, forestry, salt production, fisheries, water drainage, and rural development. The ***Ministry of Science and Technology (MOST)*** performs state management functions in the fields of science and technology, particularly science and technology activities, capacity building, intellectual properties, measurement and standardization, nuclear energy, and the safety of radiation and nuclear materials. The ***Ministry of Finance (MOF)*** performs state management functions in finance. The Department of Tax Policy and the Department of Public Asset management are most relevant in terms of product innovation for sustainable development. The Department of Tax Policy is responsible for the government financing system and is responsible for considering the mechanism to promote cleaner production applications in Vietnam. The Department of Public Asset Management is responsible for managing and implementing public procurement systems in the country.

Stakeholder Roles and Influences

Involved government agencies on the implementation of GPP include:

- Ministry of Finance (MOF)
 - Issue Ministerial Circulars to guide the implementation of the Bidding Law regulating detailed procedures for recurrent expenditures, processes and norms
 - Instruct all agencies to implement the current public procurement procedure
 - Audit the procurement activities
- Ministry of Planning and Investment (MPI)
 - Issue Ministerial Circulars to guide the implementation of the Bidding Law regulating detailed procedures for capital expenditures, processes and norms
 - Provide comprehensive state management of all procurement activities nationwide, including public procurement
 - Monitor and report, through the Public Procurement Agency, public procurement and provide training on public procurement management and implementation
 - Perform, through the Ministry of Natural Resources and Environment (MONRE), state management functions in the fields of natural resources and environment protection
 - Take responsibility, through the Vietnam Environment Administration (VEA), for environment protection activities at the national level; manage the VGL Program; and lead governmental agencies for SPP
- Ministry of Industry and Trade (MOIT)
 - Perform state management functions in the fields of 12 industrial sectors and 11 trading areas
 - Lead governmental agencies to promote SCP in Vietnam
 - Manage the Vietnam Energy Efficiency Label

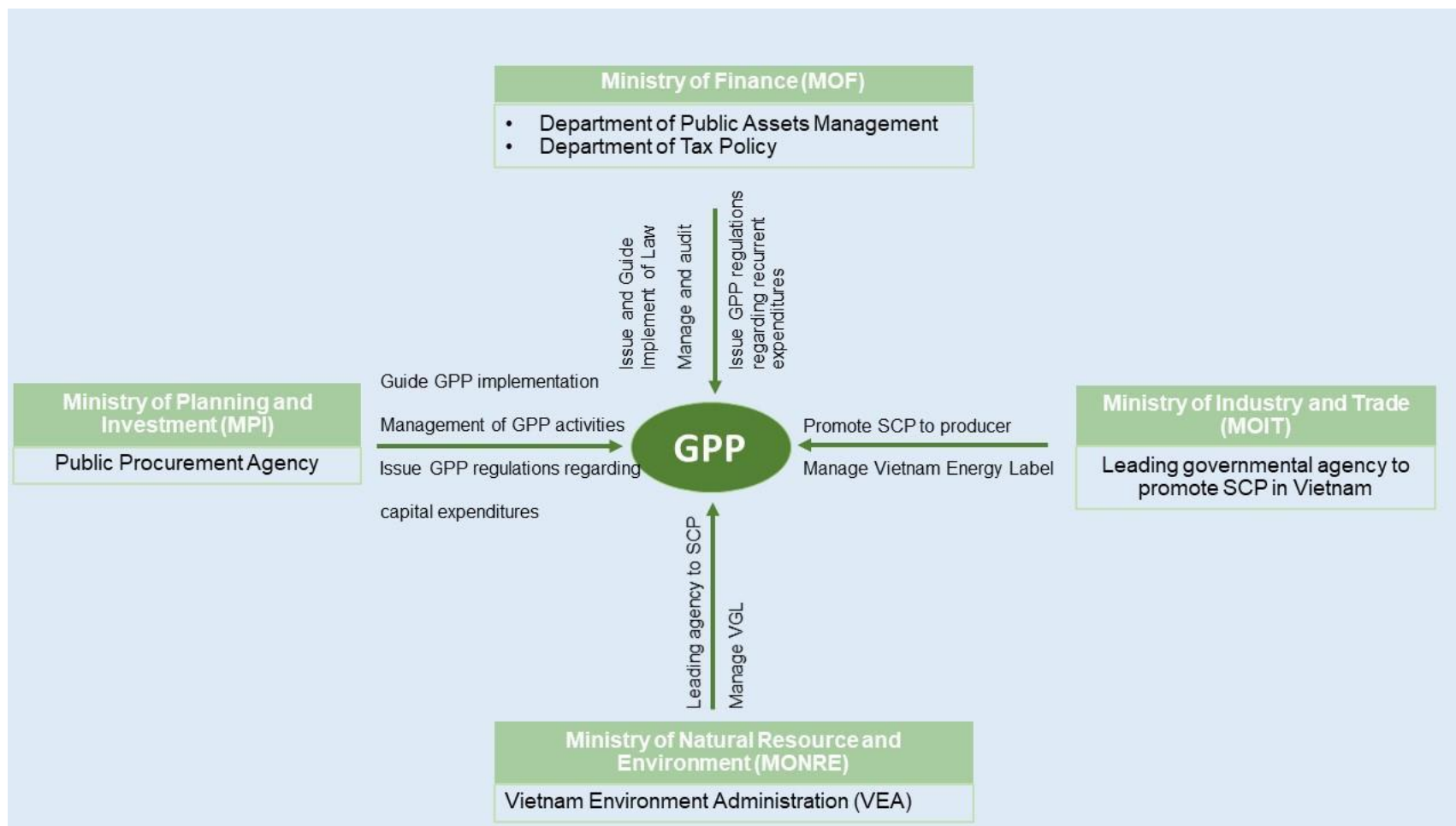


Figure 29 Government Agencies and Their Responsibilities in the Implementation of GPP

Aspect 3: GPP Implementation Mechanisms

The Ministry of Finance (MOF) has the responsibility of supporting other ministries, central agencies, and provincial people committees to establish a unit/department for centralized public procurement, and then instructing all agencies to implement the current public procurement procedure according to the laws, as well as auditing the procurement activities of all agencies.

Planning & Budgeting

The MOF has issued an instruction on decentralized public procurement. According to this instruction, Ministries, Governmental Agencies, and People Committees at all levels are responsible for the procurement activities of their organizations, according to existing laws and regulations. The procurement procedure applied by each public institution adheres to the following steps:

- Development of the procurement plan for the organization
- Development of the detailed bidding content for each tender in the procurement plan
- Submission of the procurement plan to the MOF for approval
- Approval of the procurement plan for implementation by the MOF

Method of Procurement

The steps to be followed for public purchasing following a centralized procurement procedure are as follows:

- Development of the goods/service procurement plan by the public procurement office of the central agencies.
- The public procurement office of the central agencies submits the procurement plan with an estimated budget to the centralized public procurement management and implementation agency, i.e. the Public Procurement Agency (PPA).
- The PPA leads the development of a detailed procurement plan (including a budget plan) in coordination with the procurement offices of central agencies. The PPA submits the plan to the Minister, the Director and Chairman of central agencies, and Provincial People Committees for approval.
- Based on the approved procurement plan, the PPA implements the procurement activities according to the legislative regulation on procurement.
- The PPA informs stakeholders of the plan and organizes the delivery of goods and properties for the central agencies.

- The central agencies have the responsibilities of receiving, managing and using the goods and properties according to the current legislative regulations.
- The State Treasury is responsible for monitoring and auditing the public procurement activities of all central agencies spending the State budget.

In guaranteed time, the PPA has the responsibility of requesting that the suppliers ensure the maintenance and repair of the goods, or replace activities according to the signed contract, whether there is any malfunction and/or breakage happening or not caused by the users.

Monitoring and Reporting

The Public Procurement Agency (PPA) has the responsibility of coordinating the reporting procedure on procurement activities of all agencies at the national level. Annually, an Official Letter is sent by the PPA to all the ministries, central agencies and people committees to request that they submit reports which include a monitoring section. The main aspects covered by the report include:

- Training on public procurement including the number of training workshops, courses, organizers, and participants in each workshop.
- Capacity of procurement officers especially the ratio of officers having procurement certification in relation to the total number of procurement officers and the capacity building assessment of knowledge, skills, and professionalism.
- Procurement activities including number of tenders, procurement methods, procurement goods/services, total value of tenders, and sources of budget.
- Activities linked to the resolution of complaints, denunciations and handling of the violations made to the legislative regulations on procurement.

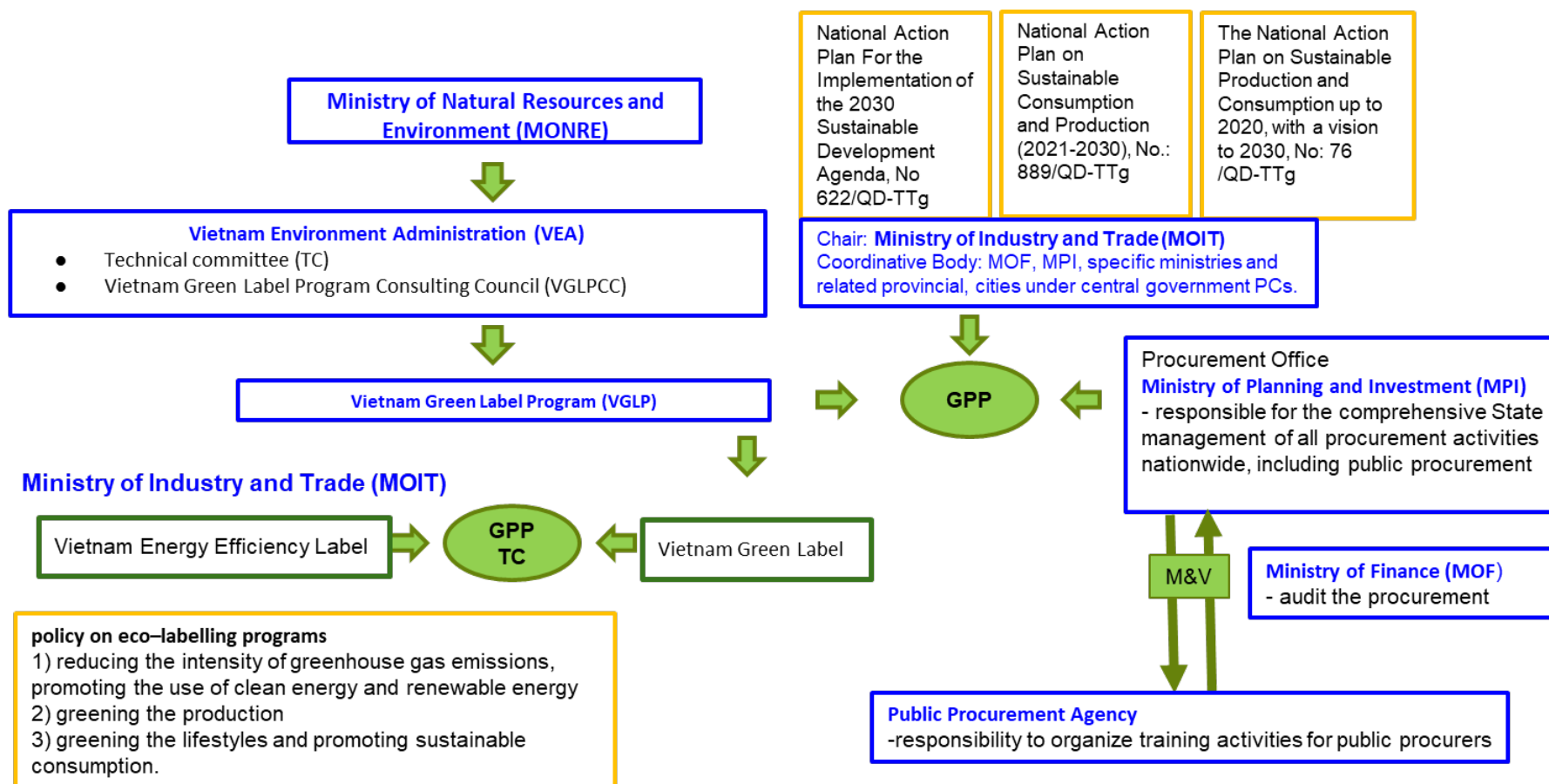


Figure 30 Proposed GPP Implementation Mechanism

Aspect 4: Environmental Labels

Vietnam Green Label Program (VGLP)

The Vietnam Green Label Program is an initiative of the Ministry of Natural Resources and Environment (MONRE) with support from the UNEP and other international donors. The Green Label Program was approved by the Minister of Natural Resources and Environment in 2009, through Decision no.253/QD-BTNMT. The program is now under the management of the Vietnam Environment Administration, an agency in charge of environmental protection.

Purpose of Establishment: Enhancing sustainable use of natural resources and environmental protection by encouraging patterns of environmentally-friendly production and consumption certified by the Vietnam Government

Main characteristics:

- A governmental eco-labelling scheme owned by the Ministry of Natural Resources and Environment
- Type 1 voluntary eco-labelling, life cycle assessment

The Operating Structure of VGLP:

The VGLP was established and is owned by the Ministry of Natural Resources and Environment (MONRE). Accordingly, the MONRE takes responsibility for approving the Development Plan for VGLP and promulgating the Vietnam Green Label criteria.

The Vietnam Environment Administration (VEA) is the executive agency of the VGLP and is responsible for granting Vietnam Green Label certification and monitoring the use of the label. In addition, the VEA established the Technical Committee (TC), which is responsible for investigating market demand; developing the draft of the Vietnam Green Label criteria for new product groups; and assessing the technical aspects of the application for the Vietnam Green Label certification.

The Vietnam Green Label Program Consulting Council (VGLPCC) was established to advise and assist the Minister of Natural Resources and Environment in identifying the list of new products and services and, in reviewing and assessing the draft of the Vietnam Green Label criteria

The functions and duties of the Vietnam Green Label Office are:

- To develop and implement the communication programs and the databases on the VGLP;
- To receive recommendations and proposals from consumers, enterprises and other governmental and non-governmental organizations on the listing of product groups and services for inclusion in the VGLP;
- To organize consultations with appropriate stakeholders on the draft of the Vietnam Green Label criteria;

- To receive the dossiers on registration for Vietnam Green Label certification and notify the applicants of the results;
- To organize the VGLPCC's meetings under the direction of the Chairman of the Council;
- To be a focal point of international cooperation with other eco-labelling schemes and with the Global Ecolabelling Network (GEN); participating in the annual meetings of GEN and being in charge of other eco-label related international cooperation;
- To organize and coordinate with related units to supervise and inspect the use of the Vietnam Green Label;
- To propose and develop projects and tasks for implementation of the VGLP;
- To propose the annual operating budget of the VGLPCC for approval by the Director General of the VEA;
- To nominate the Chairman of the VGLPCC.

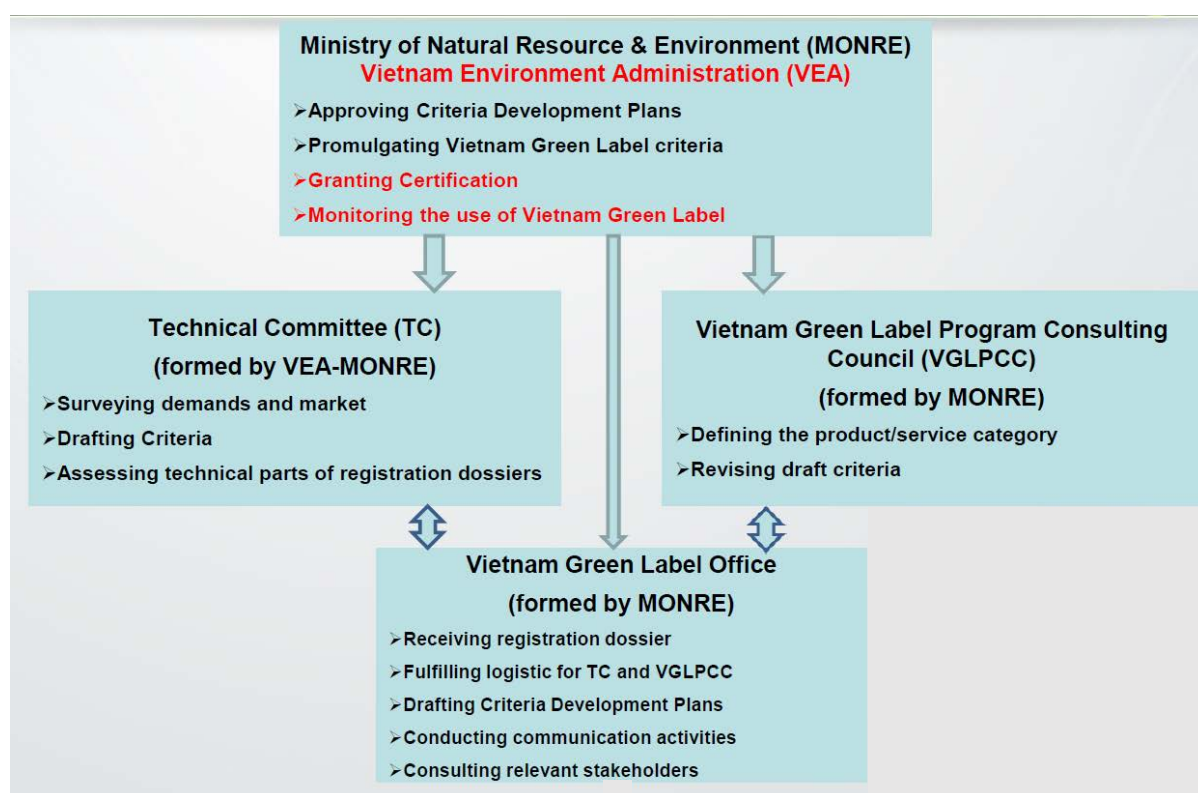


Figure 31 Vietnam Green Label Organization Structure⁴¹

⁴¹ Source: An Overview Of Vietnam Green Label, page 4, DEQM, VEA, November 2019



Figure 32 List of VGL Criteria⁴²

Vietnam Energy Efficiency Labels

There are two types of Energy Efficiency Labels currently available in Vietnam: the certifying label and the comparative label which are the Vietnam Energy Star Label and the Energy Efficiency Certifying label, respectively. , These labels are applied for the products which have the same or higher energy efficiency levels as the pre-defined energy consumption standard regulated by the MOIT in the respective period.

(1) **The Vietnam Energy Star Label** has a triangular shape with rounded corners and a golden star on a dark green background with a light green border. This label is printed or stuck onto the surface of the product's packaging, product's body in colour or monochrome version appropriately. Before they are labelled, products have to go through a test of quality, durability, and energy efficiency in accordance with TVCN 7896:2008.

(2) **The Comparative Energy Efficiency Label** is a label the provides a comparison of a product's energy consumption level in comparison to a group of similar products. The comparative label is expected to help consumers select products with higher energy efficiency. The level of energy efficiency is illustrated by the number of stars on the label, whereby more stars indicate higher energy efficiency and five stars is the highest level.

⁴² Source: An Overview of Vietnam Green Label, page 5, DEQM, VEA, November 2019



Figure 33 Vietnam Energy Star Label and Comparative Energy Efficiency Label

accordance with the Law on Economical and Effective Uses of Energy, from 1st January 2013, all enterprises which produce, export and import home appliances and industrial equipment are obliged to comply with the Energy Efficiency labelling.

The home appliance product group includes straight neon lights, compatible neon lines, compact electrical ballasts for neon lights, electrical ballasts for neon lights, air-conditioners, refrigerators, domestic washing machines, electric rice cookers, electric fans, and televisions. The industrial equipment group includes electricity transformers and electric motors.

Green Lotus Label

The Sustainable Tourism Green Lotus Label, or the Green Lotus for short, is the label granted to tourism accommodation service providers (TASP) which have satisfied the criteria for environmental protection and sustainable development. To be certified, a TASP is required to ensure it meets the criteria on environmental protection and the efficient use of natural resources and energy, contributes to the protection of historical heritages, and contributes to the socio-economic development of the localities as well as supporting sustainable tourism development.

The objectives of the Green Lotus Label are to:

- Achieve significant improvements in environmental protection practices at tourism attractions
- Attain higher effectiveness in the protection and conservation of bio-diversity in both land and aquatic environments, in the areas where Green Lotus Label certified services providers are located
- Achieve significant decrease of energy and water consumption rates
- Promote the use of renewable energy
- Promote the application of appropriate waste and wastewater disposal

- Enhance public awareness of the needs and benefits of environmental protection and develop the cultural sensitivity of tourists, accommodation service clerks, and local communities.

The Green Lotus Label has five levels: from the lowest level with 1 green lotus to the highest level with 5 green lotuses. The number of green lotuses that a hotel obtains will depend on the points that it has achieved according to the criteria of sustainable tourism. All properties that have been assessed and classified to Green Lotus environmental standards will be issued with a complementary sign appropriate to the grade achieved.

Table 12 Summary of Ecolabel Scheme in Vietnam



Scheme	verified by CB	verified by CB (ISO 17011, ISO 17021, ISO 17025, ISO 17065)	verified by an independent organization (third party) following ISO 17021
Scope	Forest Management timber and non-timber forest products	IT and electronics products	EarthCheck is a benchmarking certification and advisory group for travel and tourism. Since 1987, has over fifteen years of evidence research on operational performance.
Criteria	Sustainable Forest Management	Environmental and social responsibility where the product is manufactured, user safety and ergonomic design as well minimal environmental impact for both the product and its production during the whole life cycle	EarthCheck have helped businesses, communities and governments to deliver clean, safe, prosperous and healthy destinations for travellers to visit, live, work and play. Approaching has been to help operators break resource challenges into manageable actions that can be taken forward by management teams starting with the recognition that you can't manage what you don't measure.

Aspect 5: Market

The Gross Domestic Product (GDP) in Vietnam was worth 261.92 billion US dollars in 2019, according to official data from the World Bank and projections from Trading Economics. The GDP value of Vietnam represents 0.22 percent of the world economy. The GDP in 2019 was impressive with a growth rate of 7.02%.

In the overall growth of the economy, the agriculture, forestry and fishing; industry and construction; and services sectors increased by 2.01%, 8.90% and 7.3%, respectively with corresponding shares of contribution to the overall growth of 16%, 29% and 43%.

Manufacturing continued to be the main contributor to the economic growth with an increase of 11.29%, contributing 2.33 percentage points. The construction maintained a positive growth rate of 9.1%, contributing 0.66 percentage points to the overall growth. The services sector increased by 7.3 %. A number of large-shared activities for services sector in the economy's total added value were the wholesale and retail trade; the financial, banking and insurance activities; the transportation and storage.

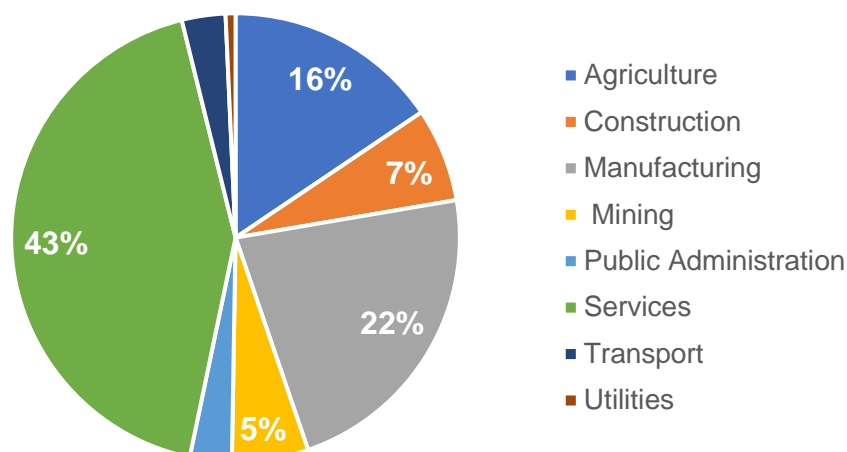


Figure 34 The GDP Distribution by Section in 2019

In 2019, Vietnam's total consumer spending amounted to approximately 185.01 billion USD which is 68.16% of its GDP, indicating a steady increase over the past few years. In that year, the number of households reached around 26.87 million. The second highest expenditure share came from service consumption, which accounted for around 42% in 2019. Meanwhile, government spending in Vietnam accounted for only 7% of GDP.⁴³ Here, government spending refers to public expenditure on goods and services and is a major component of the GDP. Government spending policies involve setting up budget targets, adjusting taxation, increasing public expenditure and using public works as very effective tools in influencing economic growth.

⁴³ Source: General Statistics Office of Vietnam

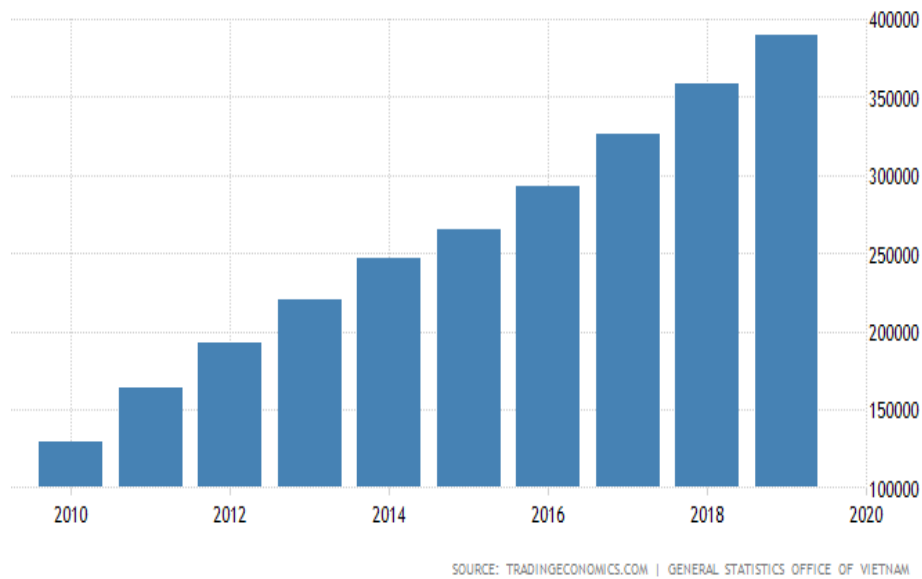


Figure 35 Government Spending in Vietnam from 2010-2019

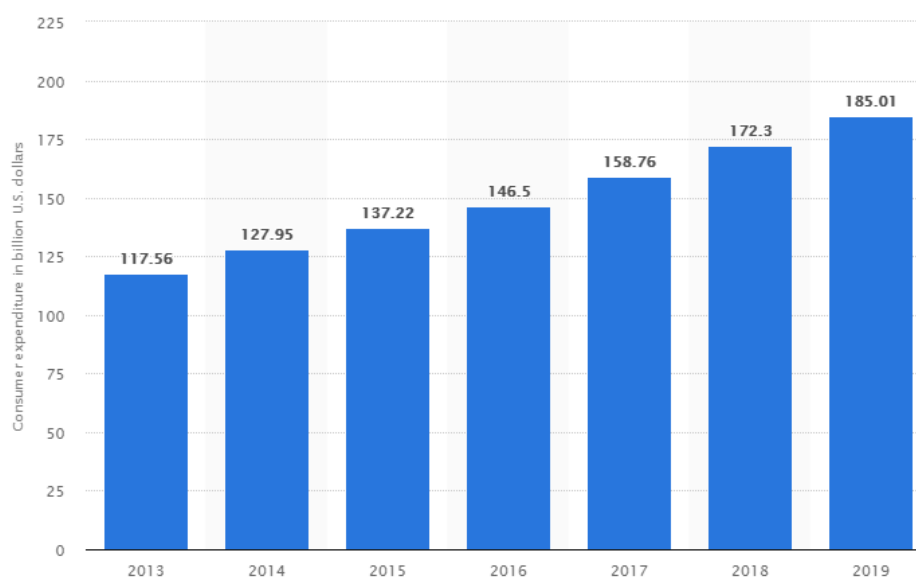


Figure 36 Total Consumer Expenditure in Vietnam from 2013-2019

Table 13 Summary of Economic Information - Vietnam

Vietnam		
GDP (Million USD)	2019	261,920
	2018	245,210
	2017	223,780
	2016	205,280
	2015	193,240
GDP Manufacturing (Million USD)	2019	43,170
	2018	39,230
	2017	34,310
	2016	29,280
	2015	26,460
GDP by Sector (2018) (percent)	Services	43
	Manufacturing	22
	Agriculture	16
	Construction	7
	Transportation	3
	Mining	5
	Public Administration	3
	Utilities	1
GDP Expenditure Share (percent of GDP)	Household Consumption + Private and Nonprofit Organizations	68.16 (2019r) 66.90 (2017r)
	Service Consumption	41.64 (2019) 41.12 (2018) 41.26 (2017) 40.92 (2016)
	Government Consumption	6.5 (2019r)
GDP Expenditure Share by Activity 2018 (percent)	Services	41.12
	Manufacturing	34.23 (2018) 34.39 (2019)
	Construction	9.1
Top 5 Import/Export Product Groups 2018 (value Million USD)	Import	<ul style="list-style-type: none"> • Machines 85,657 • Textiles 27,985 • Plastic & Rubber 15,784 • Instruments 9,551 • Transportation 8,832
	Export	<ul style="list-style-type: none"> • Machines 125,220 • Textiles 38,350 • Footwear & Headwear 23,416

<p>Production Capacity and Trend (2018)</p>		<ul style="list-style-type: none"> • Motor Vehicle 237,000 Unit (+) • Mineral production 74,062,944 Metric ton (+) • Industrial Production Index: Computer, Electronic and Optical Products (2015=100) • 173.990 (Mar 2019)
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Summary of Returned Questionnaires

Section 1: From Policy Makers or Regulators

While the legal frameworks allow for GPP in Vietnam, it is not compulsory. Decree 63/2014/NĐ-CP, Article 12, is the only framework. The Law on Environment Protection (**No. 72/2020/QH14**), **adopted 17th November, 2020**, Article 146, mentions Green Procurement, but it will only really be effective if the Bidding Law is revised (tentatively approved in 2022) and GPP is integrated into the Bidding Law. Moreover, the procurement officers have less awareness and knowledge because the legal framework has not yet been made available and there is no training on environmentally-friendly product procurement. They have been trained only on the general rules of procurement.

From the interviews, as the Bidding Law is under revision and will be approved in 2022, the line ministries will issue green criteria, standards, and a list of green products so that the law will be effective when implemented. The major obstacle to green procurement is that there is no indicator set for green procurement because of the limited list of environmentally-friendly products to be purchased, as well as a lack of effective coordination among ministries. Even though the government has made a lot of effort in this respect, it is still not enough. The suggestions for solving these issues include analyzing the best-case studies or applying knowledge exchange from the international practices and encouraging environmentally-friendly products to be added into the list of green products.

Currently, the GPP is suitable for Vietnam's economy as it is aligning with the sustainable development objectives even though there is no special budget allocated for GPP. The record on government spending on procurement activities in 2019 was 283.400 bidding packages with a total value of VND 734.698,467 Billion, and a total awarded value of VND 693.731,019 Billion.

Section 2: From Implementers

An interview was also conducted with a representative of the Public Procurement Agency (PPA), MPI. The procurement of products and services follows the Bidding Law, the general budget estimation process as regulated by State Budget Law and other guiding documents in accordance with State Budget Law 2015, 83/2015/QH13- Article 44, Decree on State Budget Law- 45/2017/ND-CP, Article 16,18, and Methodology for validation: Follow the validation process of Decree 63/2014/ND-CP. The main purchased products are stationery, computers, printers, air conditioners, lights, and paper. However, there is no record of environmentally-friendly products being purchased as priority is only given to domestically produced products, not green ones. Also, selecting product and supplier are based on the legal document Bidding Law 43/2013/QH13 and Decree 63/2014/ND-CP, which places the weight of evaluation on the lowest price. For the problem of GPP in the point of view of the interviewee, more support is expected from the government for GPP and there is a hope that the current Bidding Law will be revised. In addition, deeper understanding of the inter-ministerial regulations, list of products, criteria, and standards are needed, while there should be more effective coordination among ministries. Moreover, the procurers need to be exposed to the real situations, survey the investors who usually procure goods and services to have feedback, and observe the reality to improve their knowledge.

Analysis and Summary – Vietnam

The analysis in this part refers to PEST analysis. PEST analysis is a strategic tool used to discover, evaluate, organize, and track macro-economic factors which can impact on the focus business now and in the future. The framework examines opportunities and threats due to political (P), economic (E), social (S), and technological (T) forces. The analysis results are summarized in Table 3 and divided into 6 topics which are the enabling factors for green public procurement.

Table 14 Analysis Summary of Enabling Factors for GPP in Vietnam

PEST Section	Analysis Summary
Political	<p>1. GPP is a National Priority Concern</p> <ul style="list-style-type: none"> - Vietnam's Sustainable Development Strategy for 2011-2020 Decision 432/QĐ-TTg, dated 12/04/2012 has one of its strategy directions focused on cleaner production and environmentally-friendly consumption. - The National Action Plan for the Implementation of the 2030 Sustainable Development Agenda, No:622/QĐ-TTg Target 12.7: Ensure sustainable public procurement practices. Issue regulations on green public procurement. Give priority (within State procurement) to the utilization of goods that have been tagged with ecological labels and goods that are recyclable.
Political	<p>2. Procurement method is open to green product/service purchasing</p> <ul style="list-style-type: none"> - The National Action Plan on Sustainable Consumption and Production (2021 – 2030) 9 No.:889/QĐ-TTg <ul style="list-style-type: none"> o Promote Ecolabelling and Certification of Ecolabels o Sustainable Procurement - Guiding the implementation of Bidding Law (No. 63/2014/ND-CP) stated in Article 12 stipulates the criteria for the capacity, experience and technical evaluation of bidding packages. The environmental impact of items is included as part of the technical evaluation criteria.
Economic	<p>3. There is an incentive for green production</p> <p>The Decree on Enterprises provides some incentives for enterprises regarding creativity and innovation (tax, land clearance)</p>
Social	<p>4. Concern for the environment</p> <ul style="list-style-type: none"> - There are many benefits from buying green products. - It moves the country toward sustainable development. - There are fewer negative impacts to the environment. - It is good for health and environmental protection.

PEST Section	Analysis summary
Technological / Political	<p>5. There are green products/production</p> <ul style="list-style-type: none"> ● In the Cleaner Production Strategy in Industry until 2020 Decision 1419/QD-TTg, dated 07/9/2009, the strategy is to make cleaner production (CP) to be applied widely in industries thus increasing resource efficiency, reducing emission and minimizing pollution. ● In the Strategy for Clean Technology Use to 2020, vision 2030 Decision 2612/QD-TTg, dated 30/12/2013, the objective is to use clean and environmentally friendly technologies, increasing energy and resource efficiency with low carbon in industries to promote green growth, mitigate climate change and improve community life. Specific objectives include: (i) To 2020, 100% of the production of new projects in focused industrial sectors (fertilizers, pesticides; steel; mineral exploitation and processing; thermal power; paper; cement; and sugar) should comply with clean technology standards; 60-70% of existing industries should have developed a roadmap of technology innovation; (ii) To 2030, all industries should apply the standards for clean technologies.
Technological / Political	<p>6. The Vietnam Green Label program is being operated by VEA under MONRE</p>

3.5 Bhutan

Bhutan's development vision and strategies framed within the four pillars of Gross National Happiness (GNH) are well aligned and favourable to deliver sustainable consumption and production outcomes. Any developmental activities and the formulation of the national goals, broad targets, and overall policy principles planned by the government are framed within the four pillars of GNH. The four pillars of GNH are: (i) the promotion of sustainable socio-economic development, (ii) the preservation and promotion of cultural values, (iii) the conservation of the natural environment, and (iv) the establishment of good governance.

Although there is already an EU-funded SWITCH-Asia project, which began in 2014, with the introduction of GPP, as well as a knowledge platform for GPP, there is still great potential in terms of the competence of the national authorities and administrations applying sustainability criteria in the public procurement process.

Even if Bhutan does not explicitly target the integration of sustainability criteria into public procurement systems, the country is striving for a broadly effective and ecologically sustainable economic development. At the same time, Bhutan is striving to maintain its carbon neutrality and has therefore adopted the National Strategy and Action Plan for Low Carbon Development in 2012 and passed its INDC in September 2015. However, Bhutan is still at the beginning. The project activities for the application of sustainability criteria during the procurement day as well as the construction of an eco-label system can have a supporting effect on the implementation of these strategies.

The awareness of sustainable consumption and production patterns is low within the government, as well as on the producer and consumer side. Measures to raise awareness and capacity building for local businesses, consumers and public administrations would, therefore, represent possible first steps.

Further, in 2015, Bhutan adopted the 2030 agenda for Sustainable Development Goals (SDGs) broadly categorized under 17 goal targets. Bhutan is amongst the first few priority countries progressing forward regarding the implementation of the SDGs since its adoption in 2015 and continues to focus on implementing policies and programs that would have multiple impacts on a number of SDGs.

Aspect 1: Policies and Legislation

With the aim of understanding the public procurement of goods, works and services including national policy, legal and regulatory frameworks in order to identify the extent to which GPP can be practiced within the existing environment, this section will present an overview of the procurement framework in Bhutan in order to understand the overall laws and regulations that govern and/or impact public procurement.

Bhutan has acquired worldwide attention for its unique development philosophy of **Gross National Happiness (GNH)**, which includes the four pillars of (i) sustainable and equitable socio-economic development, (ii) preservation and promotion of culture, (iii) conservation and sustainable utilization and management of the environment, and (iv) promotion of good governance. Pursuant to Section 2 of Article

9 of the Constitution, which directs the state “to promote those conditions that will enable the pursuit of GNH,” the operational aspects of GNH have been strengthened. The GNH Index was introduced in 2008 to measure the country’s progress towards maximizing GNH. The Index comprises nine domains: psychological well-being, health, time use, education, cultural diversity and resilience, good governance, community vitality, ecological diversity and resilience, and living standard. Since the 10th FYP, the GNH Index and the findings of GNH surveys have been used to guide plan formulation and monitoring. **The 16 National Key Result Areas (NKRAs) of the 11th FYP** were framed based on GNH. The GNH survey findings of 2010 were also used to develop some of the 11th FYP key performance indicators. Continuing the past efforts to operationalize GNH, the formulation of the **17 NKRAs of the 12th FYP** was guided by the nine domains of GNH. The GNH Index score was also an important determining factor for the allocation of resources to local governments (LGs) in the 12th FYP, as shown in Figure 37⁴⁴ and Table 15.

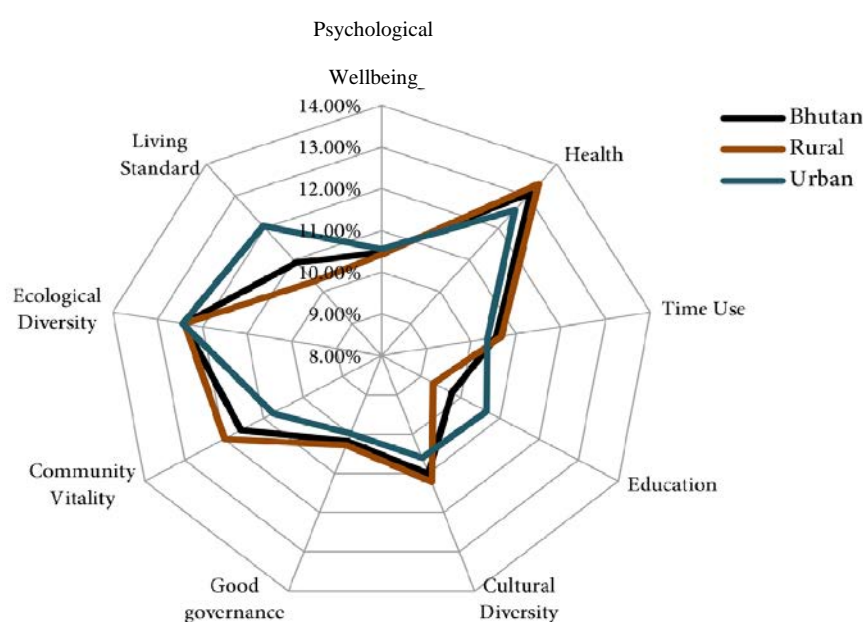


Figure 37 Percentage Contribution of Sufficiency of Each Domain to Overall GNH Index by Area

Table 15 Alignment of NKRAs, SDGs, and Nine Domains of GNH

NKRAs (2018-23)	17 SDGs (2015-30)	9 Domains of GNH (Long Term)
[6] Carbon Neutrality, Climate & Disaster Resilient	[7] Affordable and Clean Energy [9] Industry, Innovation and Infrastructure [13] Climate Action	Ecological Diversity and Resilience Good Governance

⁴⁴ GNH Survey 2015

The Public Finance Act (PFA) is the legal basis for the Royal Government of Bhutan (RGOB) Procurement Rules and Regulations (PRR) 2019. Section 104 (i) of the PFA empowers MoF to issue rules, manuals, directives, instructions or notification on procurement systems which are equitable, transparent, competitive and cost-effective to be implemented by government agencies.

Although the legal framework for integrating sustainability criteria into the public procurement system already exists, the process is still in its infancy. Under **Clause 5.2.2.11**, procuring agencies can prescribe in the technical specification performance and standard requirements of the goods, services or works which are environment friendly. **Clause 6.3.4 (b) (v)** also provides provisions to prescribe environmentally-friendly standards in the specifications.

Additionally, the **Consumer Protection Act of Bhutan (CPA), 2012** was passed by the National Parliament of Bhutan with the primary objective of providing the protection of economic interests and the safety of consumers, to ensure better consumer products and services, to facilitate quicker redressal mechanisms and to avoid economic harm and adverse consequences in the course of acquiring and using goods and services made available in the market. The act provides provisions for framing safety standards in respect of goods and services pertaining to the performance, composition, contents, manufacture, processing, design, construction, finish or packaging.

The act ensures that the consumers shall have the right to a physical environment that will enhance the quality of life for present and future generations and basic goods and services which guarantee dignified living. Also, the consumer has the responsibility to consider the impact of consumption patterns on the environment so as to maintain the ecological balance and a safe environment for the consumption of goods and services by providing information on the supply of goods and services, which are harmful and not safe for consumption.

Also, in order to encourage sustainable consumption of goods and services, the Office of Consumer Protection is mandated by section 89 (i) & (j) to promote the development of a policy on the sustainable consumption of goods and services and encourage sustainable consumption by disseminating information on environmental impacts of consumer choices and the impact of products on the environment. Therefore, both the consumer as an individual and organizations can play a vital role towards the achievement of GPP and Eco labeling actions.

The National Environment Protection Act (NEPA), 2007 was implemented to provide for the establishment of “an effective system to conserve and protect the environment” and to “independently regulate and promote sustainable development in an equitable manner” through the National Environment Commission and other agencies. The Act allows for voluntary eco-labelling or eco-auditing schemes and regulations for best environmental practices and standards for environmental auditing and labelling.

The Environmental Assessment Act (EA), 2000 was implemented to assess the extent to which a project and/or organization is green or sustainable. The information assessed is used to identify individual businesses, industries and other industry sectors that can either be supported and promoted because they are environmentally friendlier or be voided and penalized if they do not pass the assessments.

Regulation for Environmental Clearance of Projects, 2016 includes responsibilities and procedures for the implementation of the Environmental Assessment Act, 2000 concerning the environmental assessment process for projects including, but not limited to, the following: review the potential environmental impacts of projects; ensure that all projects are implemented in line with the sustainable development policy; and provide information on environmental clearance towards uniform, comprehensive data based on the environmental and cultural conditions and assets in Bhutan.

The Waste Prevention and Management Act, 2009 includes numerous provisions which directly and indirectly affect GPP through concepts such as intergenerational equity, the middle path strategy, the precautionary principle, the principle of 3Rs, polluter pays principles, such as Act states, in pursuit of sustainable economic development. Under the act, natural resources shall not be degraded and, in line with Middle Path strategy, economic development and environment conservation shall receive equal priority. On the principle of 3Rs and waste minimization hierarchy, the Act mandates that all persons: a) avoid, eliminate, or substitute the use of products or unnecessary packaging that generates waste; b) reduce the generation of waste from the manufacture and use of products; and c) reuse products and packaging materials.

Procuring Green: A Handbook for Policymakers and Public Procurers, Volume 1: Goods and Services 2nd edition, is the guide for policymakers, planners and procurement administrators on the design of procurement policies and preferential purchasing programs that integrate environmental and social criteria across the public procurement cycle – from supplier qualification to technical specifications, award criteria and contract conditions.

The handbook is divided into 5 sections, which will relate to different groups of users:

Section 1: The Business Case for Green Public Procurement

Section 2: Implementing GPP

Section 3: Strategic Management of a GPP Programme

Section 4: Introducing Environmental and Social Criteria in the Procurement Process

Section 5: Product Criteria for Goods and Services

The Climate Change Policy of the Kingdom of Bhutan 2020 was developed in order to address challenges and opportunities arising from imperative development and will pursue ecologically balanced sustainable development in line with the development philosophy of Gross National Happiness in the national and international arena of climate change.

Policy Objective 1: Pursue carbon-neutral development, appropriate measures to maintain the carbon-neutral status of Bhutan towards ensuring ‘ecologically balanced sustainable development while promoting justifiable economic and social development by pursuing a low GHG emissions development pathway.

Policy Objective 2: Building resilience to climate change measures to protect the health, lives, livelihoods and happiness of the people of Bhutan from the adverse impacts of climate change by building adaptive capacity and resilience to reduce vulnerability and by integrating adaptation actions into the development planning process at all levels.

Policy Objective 3: Ensure means of implementation, strive to ensure adequate means of implementation (through finance, technology, capacity building, research and awareness, integration) to support both mitigation and adaptation actions.

Policy Objective 4: Effective and coordinated actions ensure an effective, efficient and coordinated national approach for implementing climate change action by avoiding duplication of efforts and promoting synergies through active collaboration and guidance.

Furthermore, beyond the international framework, it is important to interpret the national policy as well as the legal and regulatory frameworks in order to identify the extent to which GPP can be practiced within the existing environment. Guided by Bhutan's development philosophy of Gross National Happiness, most policies and strategies in the country are broadly favorable toward GPP as they generally take into account consideration for environmental protection and social responsibility. Such policies include, for example, the following:

- ***Bhutan's 11th Five-Year Plan (2008-2013)*** has an objective of "self-reliance and inclusive green socio-economic development."
- ***Bhutan's 12th Five-Year Plan (2019-2023)*** aims to bring about even more well-being and happiness for the people of Bhutan through the achievement of the Plan Objective and the Sixteen National Key Results Areas (16NKRAs) and the adoption of greater operationalization of the country's timeless vision of Gross National Happiness (GNH). The objective of the 12th FYP is a "just, harmonious and sustainable society through enhanced decentralization." A sustainable society is defined as "a society able to sustain its social, economic and environmental development needs". The priorities for creating a sustainable society include ensuring a renewable supply of energy (NKRA (6) Carbon Neutrality, Climate & Disaster Resilient).
- ***The National Environment Commission's Guiding National Strategy, 1998***, follows "***The Middle Path***" in terms of the environmental criteria that need to be incorporated into industrial development planning. This involves setting environmental quality standards, establishing a legal basis to enforce environmental regulations, and using environmental impact assessments to screen out potentially damaging projects.
- ***The Framework to Mainstream Gender, Environment, Climate Change, Disaster Risk Reduction and Poverty (GECDP) (2013)*** lays out the essential strategies that need to be proactively integrated into the government's decision-making processes, such as on policymaking, planning and budgeting, right at the outset rather than after environmental, social and economic degradation has already occurred. Such interventions through proper development management will help in enhancing environmental, social and economic conditions in an integrated manner like poverty reduction and improvement of livelihoods,

environmental protection, sustainable management and utilization of natural resources, and sustained economic growth.

- ***The Cottage, Small and Medium Industries (CSMI) Policy 2012*** has the vision “to develop a dynamic, competitive and innovative SCMI section in harmony with the GNH philosophy, thus promoting employment, poverty reduction and balanced regional development”. Such development incentives from the CSMI sector involve engaging in R&D, innovative, green industry activities via BIDS, competitiveness, Innovation vouchers and initiatives in collaboration with Royal University of Bhutan, as well as strategically positioning goods and services produced by CSMI in high-value market niches using Bhutan’s Seal of Excellence and Quality, the Seal of Origin, Bhutan Organic Logo and Green Labelling.
- ***The National Strategy and Action Plan for Low Carbon Development*** recommend immediate and mid-term action plans, including the licensing of energy-intensive industries with carbon emission limit obligations in order to achieve carbon reduction and foundation for informed decision making and policy design as well as possibility for the branding of sectors as green.

Aspect 2: Institutional Arrangement

In order to comprehend the overall procurement cycle in the Bhutan context and gain understanding of the corresponding stakeholders involved in various stages of the cycle, this section gives an overview of the national setting, details the roles of various institutions in public procurement, and identifies the different steps involved in the procurement process.

The FYP is the main document that guides the broad policy framework including strategies, planning and resource allocation for all ministries and departments for the forthcoming period of each FYP. The process of public procurement is largely governed by PRR 2019 made pursuant to the Public Finance Act 2007. PRR 2019 along with the Standard Bidding Documents (SBDs) for goods and works and the Standard Request for Proposal (SRPs) for services guides public procurement processes.

Figure 2 provides a representation of the entire cycle of procurement in Bhutan. The roles of various stakeholders during the pre-procurement (planning & budgeting), procurement (tendering) and post-procurement (contract management and auditing) are detailed in the following subsections to provide an overview of how their roles affect and determine public procurement in Bhutan.

The Role of the Gross National Happiness Commission (GNHC) is to coordinate and spearhead public policies and planning in the country, including the FYP. The FYPs are prepared by the GNHC in two stages. In the first stage, the GNHC develops the guidelines for the preparation of each FYP in consultation with central and local government agencies. In the second stage, the central and local government agencies prepare their plans and programs, based on the guidelines circulated by the GNHC.

The Role of the Ministry of Finance (MOF) as the competent authority is to govern public procurement and it also has authority over the development of public procurement policy. The Government Procurement and Property Management Division (GPPMD) under the Department of National Properties (DNP) was established to facilitate policy and professional development in the field of procurement. Some of the important mandates include:

- Monitor the implementation of the Procurement Rules & Regulations
- Propose improvements to the Procurement Rules & Regulations and supporting regulations, guidelines and documentation
- Act as a focal point for enquiries and information regarding public procurement in Bhutan
- Carry out and/or commission studies and research on procurement
- Oversee the development of a national capacity building strategy and encourage the professionalization of the procurement function
- Support the development of advanced electronic procurement mechanisms

The General Department of Public Procurement has the following structure:

The Role of the Department of National Budget (DNB), Ministry of Finance is to formulate the annual national budget, conduct a mid-year budget review, facilitate interim budget revisions, conduct monitoring, and develop a sound budgeting system, among other responsibilities. The functions of the DNB are broadly classified as a budget management function, programming functions, monitoring functions, and developing a sound budgeting system.

The Role of the Bhutan Standards Bureau (BSB) is to foster and promote standards and standardization activities as a means of advancing the national economy; benefiting the health, safety and welfare of the public; assisting and protecting consumers; protecting the natural environment; promoting industrial efficiency and development; and facilitating domestic as well as international trade. BSB is now set to coordinate and oversee all standardization and conformity assessment activities in the country.

The Role of the Construction Development Board (CDB) is to act as a bridge between the private and public sectors. This involves assisting contractors in undertaking a more expansive part in the industry and ensuring genuine contractors have fair and equal access to the award of contracts as well as receiving fair treatment in the execution of contracts. The CDB also has the responsibility of a coordinator, enabler and facilitator, addressing the pertinent issues and problems faced by the industry and creating an atmosphere for more vibrant development in the construction industry. The CDB plays the role of regulator, promoter and facilitator for the development of the construction industry. With the NCIP 2020, the CDB's roles include construction quality monitoring and the regulation of construction materials. The CDB also hosts the registration system for contractors and the online evaluation tools based on the Evaluation Guidelines of the PRR 2019.

The Role of the Royal Audit Authority (RAA) as the Supreme Audit Institution (SAI) of Bhutan is to be responsible for auditing and reporting on efficiency and effectiveness in the use of public resources. Most procuring agencies cite scrutiny from the RAA as an important reason for awarding contracts to the lowest bidder, signifying the RAA's important role in influencing procurement decisions made by public officials in Bhutan. The RAA audits public procurement based on: i) efficient use of resources; ii) compliance with PRR 2009, and iii) timely payments to suppliers.

The Role of the Department of Cottage & Small Industries (DCSI) is to serve as the premier agency promoting the growth of a vibrant and sustainable cottage and small industries sector, contributing to the overall socio-economic development of the country. This includes initiating and articulating policy ideas for the growth and development of the Cottage and Small Industries (CSIs) sector; formulating CSI development policy to encourage the growth of CSIs and advise the government on fiscal and monetary issues related to CSIs; working in concert with other institutions in both the public and private sector to create a good enabling environment for business in general, and CSI activities in particular; and serving as an intermediary between the CSIs, government entities and the private sector.

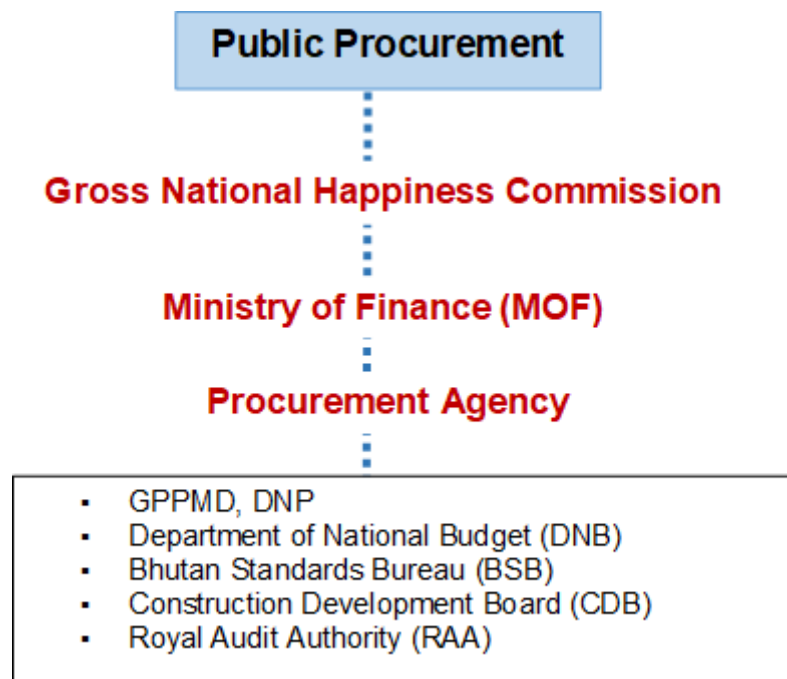


Figure 38 Institutional Structure of Public Procurement in Bhutan

Aspect 3: GPP Implementation Mechanisms

The Ministry of Finance (MOF) has the responsibility of supporting other ministries, central agencies, and provincial committees to establish a Government Procurement and Property Management Division (GPPMD) to facilitate policy and professional development in the field of procurement for centralized public procurement. The GPPMD is then also responsible for instructing all agencies to implement the current public procurement procedure according to the laws, as well as auditing the procurement activities of all agencies. The GPPMD shall report to the Secretary of the Ministry of Finance on its activities.

The GPP steering committee considers the Bhutan standards document, of which the main agency to undertake these is the Bhutan Standard Bureau (BSB). The GPP technical committee will consider the standard bidding documents that are submitted by the procurer agency. The agency involves committees such as the Department of Cottage & Small Industry (DCSI). After approving the standard bidding document about green products, it will be implemented by the manufacturer even if there is no environmentally-friendly aspect of the products. The Bhutan Standard Bureau (BSB) will lead this activity at the first stage. After the standard document has been approved, implementation will go through the process of public procurement via the PRR, SBC or SRP. The monitoring and evaluation will be composed of a group committee, including, for example, the GPPMD, DNB, and CDB as well as local national officers. The procurer of the project will be monitored and validated under the GPPMD, BSB, CDB and RAA. In part of green production followed by Bhutan Standard Bureau if there is the eco-label exist that follow the criteria as well.

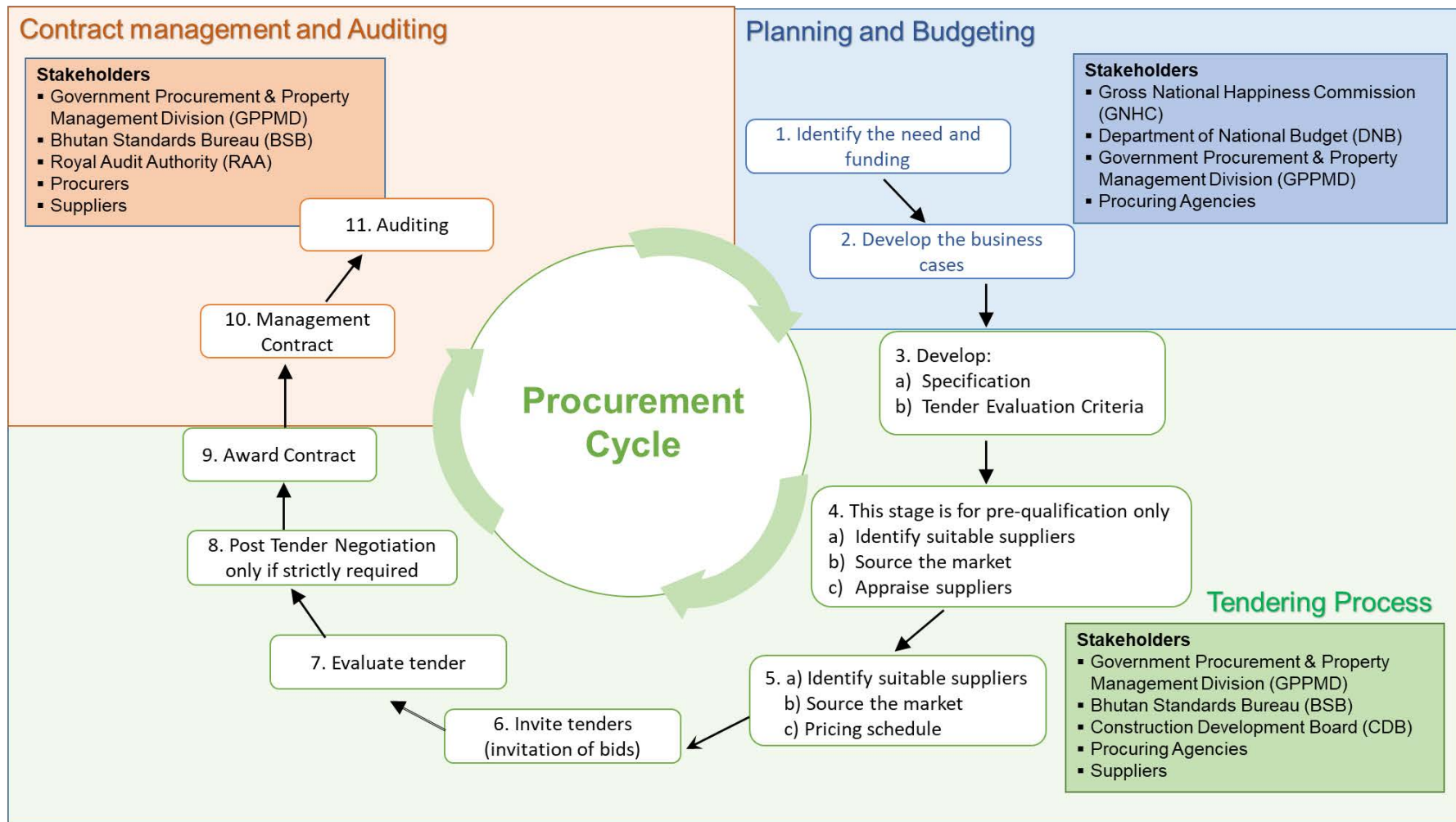


Figure 39 Public Procurement Cycle in Bhutan

Planning & Budgeting

For government agencies, 48% of the source of expenditure is from government funds, with 46 percent from grants and 6% from loans. The departments responsible for budget planning include the Government Procurement & Property Management Division (GPPMD).

Generally, the process of a budget request starts from the GNHC developing guidelines for the preparation of FYP in consultation with central and local government agencies. Then, the MOF calls for a budget proposal based on the approved plans and programs of the FYP (activities, estimates, drawings, procurement, and necessary clearances) and the ministries, autonomous agencies, dzongkhags, and gewogs submit their budget proposals to the MOF annually. The MOF submits the annual budget proposal to the Parliament for approval.

All procuring entities shall develop an annual procurement plan. The procurement plan shall be consistent with the annually approved budget envelope. All spending projects that require procurements shall be recorded in the procurement plan. If not, spending will not be permitted.

Method of Procurement

The procuring agencies are responsible for preparing the bidding documents which shall be verified by a respective tender committee. The methods of procurements are as follows:

1. Open Tender/Bidding Method

- Open Tender/Bidding is the basic method of Government procurement.

2. Limited Tender/Bidding Method

- The number of bidders may be limited within a range of between 3 and 5 individuals or companies.

3. Limited Enquiry Method

- The Procuring Agency compares the prices solicited from at least three domestic companies or individuals and awards the contract to one of them.

4. Direct Contracting Method

- This method allows the procuring agency to negotiate the terms and conditions of its procurement directly with one or more bidder(s) upon fulfilment of the conditions prescribed in the PRR 2019.

5. Community Contracting

- In the case of works with an estimated value of not more than Nu. 1.5 (one point five) million, the work can be awarded to the local community as per the Community Contract Protocol developed by the Department of Local Governance, Ministry of Home and Cultural Affairs.

6. Framework Contracting

- This method is used for the supply of designated supplies over a given period of time which shall not exceed one year.

7. Electronic Reverse Auction (e-Auction)

- An electronic reverse auction (e-Auction) is a scheduled online event in which prequalified/registered bidders bid against each other on their prices and the bidder with the lowest bid price is considered for award.

Procurement Process

Application of Procurement Process

Procurements shall be conducted under any of the following processes:

a. One Envelope Process

This process can be implemented by procuring agencies by prescribing environmentally friendly requirements while preparing the tender documents.

b. Two-Stage Process

This presents another opportunity to implement GPP in Bhutan.

- i. Procuring agencies can use the first stage to get input from experienced bidders on possible specifications for “green goods and services” and then set the specifications as per their needs for environmental and social considerations for the second stage.
- ii Procuring agencies can use the first stage to understand whether or not the market will be able to deliver a certain level of performance for goods, services and works, and then formulate an outcome-based or performance-based specification in the second stage to encourage the uptake and commercialization of eco-innovative solutions.

Monitor and Evaluate

The auditor verifies, observes, compares and ascertains the compliance of each main indicator and sub-indicator against specific criteria derived from Procurement Rules and Regulations 2019, Bhutan Schedule of Rates, Standard Specifications and other laws, rules, regulations and documents as may be relevant and applicable. This is done by monitoring the achievement of the activities thus:

Goods: Monitoring of supplies / follow-up of back orders

Services: Monitoring progress of work / follow-up

Works: Monitoring progress & quality of work / maintenance of other construction records / follow-up / rectification of defects / rescinding & termination of contract / completion and review.

Aspect 4: Environmental Labels

Currently, Bhutan has no environmental labels scheme (Type I). However, the national standard is the Bhutan Standard Certification Mark, certified by the Bhutan Standards Bureau (BSB), which was established in 2010 following the introduction of the Bhutan Standards Act of 7th July 2010. The BSB is an autonomous organization that coordinates and oversees all standardization and related activities in Bhutan as well as fostering and promoting standards and standardization activities that will assist in advancing the national economy; benefit public health, safety and welfare; assist and protect consumers; protect the natural environment; promote industrial efficiency and development; and facilitate domestic and international trade.

Standardization and conformity assessment play a major role in developing technology and its application, helping to stimulate the economy along with productivity and competitiveness. The BSB's mission is to promote and provide market-relevant standards, metrology and internationally recognized conformity assessment services for industry, commerce, government, and society. Its core functions are:

1. Develop and adopt market-relevant standards
2. Operate and manage product and management systems certification
3. Provide metrological and laboratory testing services
4. Liaise with regional and international standards, accreditation, and certification bodies



Figure 41 Bhutan Standard Certification Mark

The Certification Division has the mandate to carry out/operate Product Certification schemes and carry out/operate Management Systems Certification schemes.

The Product Certification Scheme is operated as per the international standard ISO/IEC 17065:2012 which lays down the requirements that certification bodies must fulfil in order to carry out product certification. The Management System Certification is operated as per ISO/IEC 17021:2015.

The main function of the division is to make an independent conformity assessment and provide a written assurance (a certificate) that the product, service or system in question meets specific requirements. In fulfilling the mandate of providing product and management systems certification during the 12th FYP (2019-2023), the division, besides meeting the above mandates, plans to expand the scope of accreditation

of product certification; operationalize the use of the product certificate mark including marking fees; and increase the scope of accreditation in management systems certification.

The Division has achieved the following activities:

1. Accreditation of Product certification for TMT reinforcement bars, cement and bitumen emulsion.
2. Accreditation in ISO 9001:2015 (Quality Management System) certification for three scopes: Food (Animal Feeds), Finance (Banking) and Administration (Municipal Services).
3. Provided product certification/brand approval to more than 170 clients for civil and electrical products.
4. Provided QMS certification to four local organizations: Karma Feeds, Bank of Bhutan, Phuentsholing Thromde and Bhutan Bitumen Industries Pvt. Ltd.

The Division intends to expand the scope of accreditation of product certification to include products manufactured in Bhutan that are exported or have the potential for the international market. It is expected that the scope of accreditation for management system certification will also be increased.

The Standardization Division was established as per the Bhutan Standards Act 2010 to develop and publish national standards and also to facilitate their implementation to assure the promotion of quality infrastructure and services critical to the economic development of the country. Besides publishing the national standards, the Division facilitates the implementation of the standards through publicity and creating awareness programs of the standards. The standards are formulated following the international best practice.

When the Bhutan Standards Bureau was initially established, its scope was restricted to engineering fields. However, the scope of standardizations has been diversified with the addition of technical committees. Currently the BSB has also formulated standards in different fields such as agriculture machinery, pharmaceuticals, wood products, graphical symbols, food and agriculture, management, building materials, and electrical and electronics.

Bhutan standards portfolio by percentage (%)

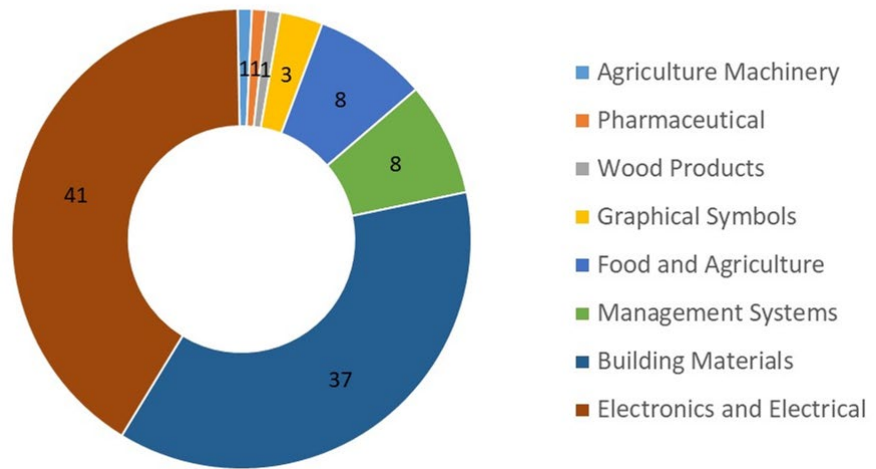


Figure 42 Bhutan Standards Portfolio



Civil Engineering Standards



Food and Agricultural Products



Textile Standards



Environment Management Standards

Figure 43 Available Standards in Bhutan

Environmental Labels in Bhutan

There are various certificate schemes and types of ecolabels.

1. Programme for the Endorsement of Forest Certification (PEFC)

The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organization dedicated to promoting sustainable forest management (SFM) through independent third-party certification. It works throughout the entire forest supply chain to promote good practice in the forest and to ensure that timber and non-timber forest products are produced with sustainability in mind.

Conformity with the PEFC standard is verified by an independent organization (third party) following ISO 17011 Accreditation, ISO 17021 Management system certification, ISO 19011 QMS and EMS auditing (and auditor qualifications), ISO / IEC Guide 65 Product Certification, ISO Guide 59; ATO, ITTO/IUCN, ITTO and MCPFE.

2. TCO Certified

TCO Certified is an international sustainability certification for IT products, carried out with regard to environmental and social responsibility where the product is manufactured, user safety and ergonomic design, as well minimal environmental impact for both the product and its production during the whole life cycle.

Conformity with TCO Certified's standard is verified by an independent organization (third party) following ISO 17011 Accreditation, ISO 17021 Management system certification, ISO 17025 Testing and Calibration Laboratories, ISO / IEC Guide 65 Product Certification.

Valid Certification Criteria of the Green Product Mark:

1. Wearable Devices
2. Cordless Phones
3. Routers
4. Washing Machines
5. Televisions
6. Kitchen Machinery
7. Furniture
8. Routing Switches
9. Textiles, Shoes and Bags

Certification Criteria of the Green Product Mark under development/revision (as September 2020):

1. Flooring
2. Paints and Coatings
3. Photovoltaic Modules

3. EarthCheck

With its certification verified by an independent organization (third party) following ISO 17021 management system certification, EarthCheck is a benchmarking certification and advisory group for travel and tourism. Since 1987, EarthCheck has helped businesses, communities and governments to deliver clean, safe, prosperous and healthy destinations where travelers can visit, live, work and play. EarthCheck's approach has been to help operators break resource challenges into manageable actions that can be taken forward by management teams starting with the recognition that you cannot manage what you do not measure. EarthCheck has over fifteen years of evidence-based research on operational performance.

Table 16 Summary of Ecolabels in Bhutan



Scheme	verified by CB	verified by CB (ISO 17011, ISO 17021, ISO 17025, ISO 17065)	verified by an independent organization (third party) following ISO 17021
Scope	Forest Management timber and non-timber forest products	IT and electronics products	EarthCheck is a benchmarking certification and advisory group for travel and tourism. Since 1987, has over fifteen years of evidence research on operational performance.
Criteria	Sustainable Forest Management	Environmental and social responsibility where the product is manufactured, user safety and ergonomic design as well minimal environmental impact for both the product and its production during the whole life cycle	EarthCheck have helped businesses, communities and governments to deliver clean, safe, prosperous and healthy destinations for travellers to visit, live, work and play. Approaching has been to help operators break resource challenges into manageable actions that can be taken forward by management teams starting with the recognition that you can't manage what you don't measure.

Aspect 5: Market

This section of the report summarizes the outcomes of a market assessment undertaken on green goods, services and works in Bhutan by providing both demand and supply side perspectives. The demand side looks at GDP, import value and volume, and household expenditure while the supply side looks at export value and volume including production capacity in order to select product for GPP practice. In particular, since the public sector in Bhutan is relatively large compared to other countries, this could be a leverage effect. To date, Bhutan has been importing its products mainly from India and in smaller quantities from Bangladesh, China, and Thailand. While this provides the potential for the introduction of sustainable public procurement systems, it also poses some challenges for the country. In this way, by making a change to local procurement, for reasons of sustainability, transport costs and the resulting greenhouse gas emissions can be reduced, and the local economic development can be strengthened, thereby providing incentives to reduce the trade deficit with and dependency on India. Stronger procurement at the local level could also convince the consumer through the associated economic growth. On the other hand, the local economy currently has hardly enough capacity to supply the local public sector immediately, let alone the standards of sustainable procurement. Capacity building is therefore necessary both on the administrative side and in the private sector.

More than 60% of Bhutan's economy is based on agriculture and forestry, which provide the main livelihood of the population. Agriculture consists largely of subsistence farming and animal husbandry. Rugged mountains dominate the terrain and make the building of roads and other infrastructure difficult and expensive.

The Gross Domestic Product (GDP) in Bhutan was worth 2.45 and 2.84 billion US dollars in 2018 and 2019, which represents 1.5% growth, according to official data from the World Bank and projections from Trading Economics. The GDP value of Bhutan represents less than 0.01 percent of the world economy. The GDP share by sectors and their values in 2018 show that the largest share was from the service sector at 36%, which has a value of 365.2 million USD (Table 18). The sectors with the second and third largest shares were construction and utilities at 14% and 13%, respectively. The service sector is growing while the manufacturing sector is falling. The record of the export value in Bhutan for industrial production is not high compared to the other selected countries in this study.

Table 17 Export Trade Value by Section

	Section	Export Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	0.01	0.11	0.01	0.02	0.20	0.91
2	Vegetable Products	0.36	1.28	25.29	0.92	3.75	1.41
3	Animal and Vegetable Bi-Produ	-	0.03	-	-	0.00	2.50
4	Foodstuffs	2.21	4.56	6.05	5.62	7.95	10.61
5	Mineral Products	3.05	13.19	15.81	5.61	19.65	22.29
6	Chemical Products	21.73	27.62	35.90	25.86	24.01	16.08
7	Plastics and Rubbers	4.76	6.99	10.45	7.93	7.07	6.12
8	Animal Hides	0.34	0.00	-	0.03	-	-
9	Wood Products	2.56	3.23	3.35	1.71	1.48	1.71
10	Paper Goods	0.02	0.00	0.40	0.08	0.02	0.07
11	Textiles	0.13	0.12	1.48	1.23	0.10	0.27
12	Footwear and Headwear	0.04	0.00	0.02	0.09	-	-
13	Stone And Glass	1.79	2.23	2.33	1.72	0.97	0.82
14	Precious Metals	0.00	0.01	-	0.02	0.01	0.03
15	Metals	110.76	109.03	113.74	85.06	126.78	186.50
16	Machines	1.11	0.87	0.54	0.70	1.37	1.93
17	Transportation	0.15	0.22	0.80	1.65	1.53	10.70
18	Instruments	0.02	0.12	0.16	0.08	0.09	0.11
19	Weapons	0.01	-	-	-	-	-
20	Miscellaneous	0.05	0.01	0.06	0.05	0.04	0.05
21	Arts and Antiques	0.01	0.01	0.02	0.87	0.04	0.18

Although the GDP value of manufacturing is increasing from previous years (74 million USD in 2017 to 78 million USD in 2018), it accounted for only 8 percent of the total GDP in 2018. The main manufacturing industries in Bhutan are cement, wood products, processed fruits, and alcoholic beverages.

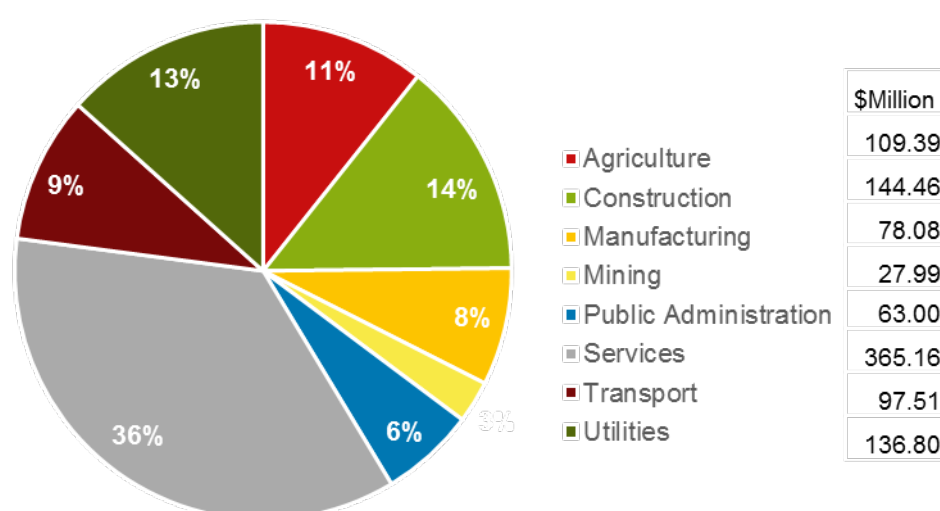


Figure 44 GDP Share by Sectors and Value in 2018

Household final consumption expenditure (formerly private consumption) is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers) purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. Here, household consumption expenditure includes the expenditures of non-profit institutions serving households, even when reported separately by the country. This item also includes any statistical discrepancy in the use of resources relative to the supply of resources. The final consumption expenditure (% of GDP) of households and non-profit institutions serving households (NPISH) in Bhutan was 52.77 as of 2017. Its highest value over the past 17 years was 58.51 in 2013, while its lowest value was 36.97 in 2006. Data are in current U.S. dollars. Consumer spending in Bhutan for 2018 was \$1.48B, representing a 12.08% increase from 2017 (Figure 45). Most of the household consumption spending in Bhutan was on food and beverages (35.15%), transport (17.00%) and housing (13.17%).

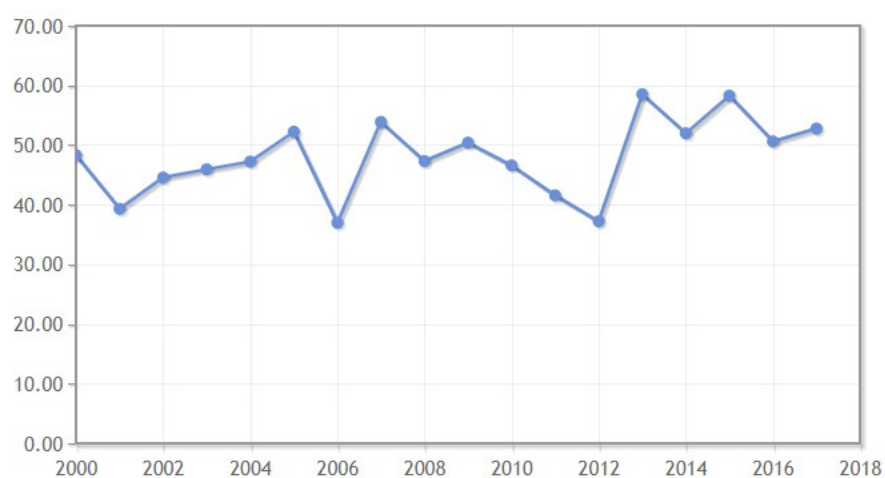


Figure 45 Household and NPISH Final Consumption Expenditure (% of GDP)

Table 18 Summary of Economic Information - Bhutan

Bhutan		
GDP (Million USD)	2019	-
	2018	2,450
	2017	2,450
	2016	2,160
	2015	2
GDP Manufacturing (Million USD)	2019	-
	2018	78.08
	2017	74.01
	2016	72.26
	2015	67.15
GDP by Sector (2018) (percent)	Services	36
	Manufacturing	8
	Agriculture	11
	Construction	14
	Transportation	9
	Mining	3
	Public Administration	6
GDP Expenditure Share (percent of GDP)	Utilities	13
	Household Consumption + Private and Non-profit Organizations	Household Consumption 60.49 (2018r) 52.77 (2017r) ● Machinery & Equipment 18.93, 3.15, 7.73 ● Construction 18.95, 5.65, 10.74 <i>*record of 2019, 2018, 2017</i>
	Service Consumption	39.93 (2018) 38.06 (2017) 38.32 (2016) 38.62 (2015)
	Government Consumption	Government Consumption 17.12 (2018r) ● Machinery & Equipment 18.79, 15.00, 22.24 ● Construction 33.52, 8.69, 10.44 ● Software, Database Development 2.19, 92.43, 20.33 <i>*record of 2019, 2018, 2017</i>
GDP Expenditure Share by Activity 2018 (percent)	Services	● Transport 17.00 ● Hotels & Restaurants 16.11 ● Miscellaneous Goods and Services 6.87 ● Recreation and Culture 5.49 ● Communication 2.57 ● Education 2.07 <i>*calculate % from 2019 record</i>

	Manufacturing	<ul style="list-style-type: none"> • Clothing and Footwear 8.11 • Housing, Water, Electricity, Gas, and Fuels 13.17
	Construction	-
Top 5 Import / Export Product Groups 2018 (value Million USD)	Import	<ul style="list-style-type: none"> • Mineral Products 174.99 • Machinery 140.66 • Transportation 97.52 • Metals 86.04 Plastic & Rubber 33.90
	Export	<ul style="list-style-type: none"> • Metal 186.50 • Mineral Products 22.29 • Chemical Products 16.08 • Transportation 10.70 Plastic & Rubber 6.12
Production Capacity and Trend (2018)		<ul style="list-style-type: none"> • Mineral Production 674,214 Metric ton (-)

Regarding the Gross Domestic Capital Formation in Consultant Prices (Table 19), government spending on different activities was mostly on construction and machinery & equipment at around 15% and 3% share of GDP while software database development accounted for only 0.4%. The total spending was down from 2018 by around 16.5%.

Table 19 Gross Domestic Capital Formation in Constant Prices

Nu. in million								
Year	2012	2013	2014	2015	2016	2017	2018	2019
1. Machinery & Equipment	14,813.91	4,357.20	8,587.39	10,914.30	12,045.27	11,114.21	11,464.57	9,293.92
1.1. Government	1,472.85	975.31	866.57	762.19	1,098.22	1,342.45	1,141.04	926.66
1.2. Private	13,341.06	3,381.88	7,720.82	10,152.11	10,947.05	9,771.76	10,323.53	8,367.26
2. Construction	17,715.57	16,298.97	18,243.00	19,581.54	21,458.15	22,153.08	19,856.36	16,751.39
2.1. Government	5,781.27	4,249.87	3,963.14	4,256.55	6,192.94	6,839.44	6,245.12	4,152.04
2.2. Private	11,934.30	12,049.10	14,279.86	15,324.99	15,265.21	15,313.64	13,611.24	12,599.35
3. Soft-ware, data base development (Govt)	83.60	103.44	175.41	99.93	200.83	159.99	12.11	11.85
4. Valuables	120.65	115.29	118.43	22.74	44.20	38.72	19.65	38.74
Gross Fixed Capital Formation	32,733.73	20,874.91	27,124.23	30,618.51	33,748.45	33,466.01	31,352.69	26,095.89
5. Changes in Inventories	(38.85)	(251.03)	(966.69)	(150.23)	366.71	(90.52)	257.02	295.42
Gross Capital Formation	32,694.88	20,623.88	26,157.55	30,468.29	34,115.16	33,375.49	31,609.71	26,391.31
Change in %								
Year	2012	2013	2014	2015	2016	2017	2018	2019
1. Machinery & Equipment	(4.66)	(70.59)	97.09	27.10	10.36	(7.73)	3.15	(18.93)
1.1. Government	24.88	(33.78)	(11.15)	(12.04)	44.09	22.24	(15.00)	(18.79)
1.2. Private	(7.08)	(74.65)	128.30	31.49	7.83	(10.74)	5.65	(18.95)
2. Construction	13.77	(8.00)	11.93	7.34	9.58	3.24	(10.37)	(15.64)
2.1. Government	25.78	(26.49)	(6.75)	7.40	45.49	10.44	(8.69)	(33.52)
2.2. Private	8.73	0.96	18.51	7.32	(0.39)	0.32	(11.12)	(7.43)
3. Soft-ware, data base development (Govt)	(86.12)	23.73	69.58	(43.03)	100.97	(20.33)	(92.43)	(2.19)
4. Valuables	115.12	(4.44)	2.72	(80.80)	94.32	(12.38)	(49.25)	97.13
Gross Fixed Capital Formation	3.04	(36.23)	29.94	12.88	10.22	(0.84)	(6.31)	(16.77)
5. Changes in Inventories	(79.24)	546.09	285.09	(84.46)	(344.11)	(124.68)	(383.94)	14.94
Gross Capital Formation	3.53	-36.92	26.83	16.48	11.97	-2.17	-5.29	-16.51

Summary of Returned Questionnaires

Section 1: From the Policy Makers or Regulators

Interviewees from: Construction Development Board, MOEA (Office of Consumer Protection), MOF (Department of National Budget and Department of National Properties)

Although the legal frameworks in Bhutan allow for GPP, it is not compulsory. The Procurement Rules and Regulations allow for environmentally-friendly products to be used in construction works as the specifications of the products are open to the procuring agencies to decide. At the same time, however, the provision does not restrict non-environmentally-friendly products. **PRR 5.2.2.11** states that the technical description of the goods, services or works included in the bidding shall be provided in the bid documents. The specifications or scope of work shall include all essential features or components desired in accordance with the specifications for Building & Road Works issued by the Ministry of Works and Human Settlement or as specified by the procuring agency; performance and standard requirements with which goods, equipment or materials shall comply; and where possible, the requirements of goods, equipment or materials which are environment friendly. It shall be stated that any non-conformity therewith would render the bid nonresponsive. **PRR 6.3.4.1 (b) (v)** states that the scope, quantity and quality of the contractual obligations shall be the fundamental conditions of the contract and will consist, among others, of where possible the requirement of goods, equipment or materials which are environment friendly; **ITB 5.1** of the Standard Bidding Documents (Procurement of Goods above Nu. 0.500 Million) states that all goods and related services to be supplied under the contract shall comply with..... [If any specific requirements to comply with laws related to the environment and others as case may be, for example, ozone-depleting substances prohibition]. Meanwhile, two relevant sections of **Section 89 of the Consumer Protection Act** are: **(i)** Promote the development of policy on sustainable consumption of goods and services; and **(j)** Encourage sustainable consumption by disseminating information on environmental impacts of consumers' choices and impact of products on the environment.

Due to the lack of clear policy directives on GPP, there is not much emphasis on the procurement of environmentally-friendly goods, the unavailability of major environmentally-friendly products and the lack of capacity for procurement staff, especially in small agencies, where HR administration, finance and procurement are dealt with by a single person who is trained in HR, especially due to the incapacity to determine the lifecycle benefits versus the initial cost of the products which determine the procurement process.

Currently, the GPP is suitable for Bhutan's economy as it aligns with the sustainable development objectives even though there is no special budget allocated for GPP.

Section 2: From the Implementers

Interviewee from: MOF (Policy and Planning Division)

An interview was conducted with a representative of the the MOF, Policy and Planning Division, on Procurement Rules and Regulations 2019 (PRR). The procurement spending annually that capital is 1.3 million, current is 1.872 million (excluding pay and allowance budget provisions). The most purchased products/services are paper, cartridges, files and catering services.

For the problem of GPP in the point of view of the interviewee, there is no availability of environmentally friendly products. The interviewee expects the number of environmentally-friendly products to be boosted but also expressed the need for more training.

Section 3: From Industrial Support

Interviewee from: MOEA (Department of Cottage and Small Industries)

CSIs constitute 95% of the total number of companies in the country and therefore play a critical role in the industrialization and diversification of the economy. Therefore, CSIs can play a role in carrying out activities related to GPP.

The cottage and small industry policy 2019 provide the following provisions which can be related to GPP:

- 6.3.9 Provide preferential procurement for locally produced CSI products while ensuring the specifications and qualities are equally competitive with other products and services in the market
- 6.6.3 Encourage public and private entities to use and promote SCIs' products and services

There has not been any green production as such right now. However, CSIs are mandatorily required to receive environment clearance for their products prior to seeking a business license from the department. The policy states that the government shall strategically position goods and services produced by CSIs in high-value market niches using Bhutan's seals of excellence and quality, the seal of origin, the Bhutan Organic Logo and Green Labelling. GPP and ecolabeling are still new concepts for many of the producers in the country. As such, the willingness of the people to adhere to these concepts and strong policy are needed. Finally, strategic policy action and enforcement are the proper approaches that governments should take to achieve GPP policy or implementation.

Section 4: From the Product Certification Body

Interviewee from: The Bhutan Standards Bureau (BSB)

The BSB develops product standards based on the proposals it receives for the development of new product standards submitted in the BSB New Work Item Proposal Form (Form IV). Requests for new standards may come to the BSB Board from the government, regulatory authorities, consumer organizations, industrial units, industry associations, or professional bodies.

In the BSB, there are 10 Technical Committees (TCs) representing various sectors. The proposals received by the BSB are analyzed by the Member Secretary for the consideration of the relevant Technical Committee, and the draft standards are then developed by the relevant Technical Committee.

The composition of the Technical Committees of the BSB represents different interests such as government, regulatory bodies, sector specific authorities and commissions, industry and industry associations, consumer organizations, academia, etc.

The standards prepared by the Technical Committees are shared with all relevant agencies and the general public for their comments, and then finally endorsed by the Board of Bhutan Standards Bureau.

Product certification is carried out as per ISO 17065:2012 and Management System certification is as per ISO 17021:2015. The BSB has accreditation for both of the certification systems. Certification decisions are made by the Certification Committee.

The Committee consists of members from the BSB and a representative from the Department of Trade, Ministry of Economic Affairs.

The most certified products are construction related products. The BSB has a product testing laboratory that provides testing, mainly of the construction related materials and products. A small Electrical Safety Laboratory was also recently established with the provision to provide basic electrical safety tests such as for insulation, fire and heat resistance. The BSB also has a National Metrology Laboratory (NML) that provides calibration and verification services for weights and measures in the country.

The BSB has not received any proposal for a green product standard. The specifications for the green product standard will be decided by the members of the relevant Technical Committee depending on what product it is.

The problem in this respect is that the BSB and the members of the Technical Committees lack training on green product standards.

Analysis and Summary – Bhutan

The analysis in this part is based on a PEST analysis. PEST analysis is a strategic tool used to discover, evaluate, organize, and track macro-economic factors which can impact on the focus business now and in the future. The framework examines opportunities and threats due to political (P), economic (E), social (S), and technological (T) forces. The analysis results are summarized in Table 3 and divided into 6 topics, which are the enabling factors for green public procurement.

PEST Section	Analysis Summary
Political	1. GPP is a National Priority Concern <ul style="list-style-type: none"> Gross National Happiness Philosophy 12th Five-Year Plan
Political	2. Procurement method is open to green product/service purchasing In the Procurement Rule and Regulations' (PRR 2019) Article 5.2.2.11, it is stated that the technical description of the goods, services or works under the bid shall be provided in the bid documents. The specifications or scope of the works shall include all essential features or components desired in accordance with the Specifications for Building & Road Works issued by the Ministry of Works and Human Settlement or as specified by the Procuring Agency; the performance and standard requirements with which goods, equipment or materials shall comply; and where possible, the requirement of goods, equipment or materials which are environment friendly. It shall be stated that any non-conformity therewith would render the bid as nonresponsive. Article 6.3.4 refers to the scope, quantity and quality, stating that (b), (v) Where possible requirement of goods, equipment or materials which are environment friendly.
Economic	3. There is an incentive for green production The Economic Development Policy 2016 includes the development of several economic incentives to achieve its objectives. Art. 9.1.6 states that "Businesses adopting environmentally-friendly technological up gradation on or before 31st December 2019, shall be allowed income tax rebate of 15% of the up-gradation expenses. Such incentives shall be available if the up-gradation is beyond the minimum standards as required by law." Art 9.1.10 states that "Sales tax and customs duty exemption shall be granted for the purchase of electric automobiles/hybrid cars/cars that run on renewable energy including spare parts". Art 9.2.2 states that "The incentives shall be provided as per the relevant provisions in the Bhutan Sustainable Hydropower Development Policy, Alternative Renewable Energy Policy, and Energy Efficiency and Conservation Policy". Art 9.3.4 Environmental and Technology Up-gradation Environment friendly and efficient technology meeting environmental baseline standards as performance-based criteria. Art 9.3.4.1 Industries that maintain higher environment standards than legislated or demonstrate continual improvement shall be provided with additional incentives.

	Art. 9.3.4.2 A 10-year income tax holiday shall be provided to those who have up-graded the facility to an integrated wood industry.
Social	8. Concern for the environment <ul style="list-style-type: none"> • Many provisions have been developed to promote sustainable consumption and production (SCP) practices. • Carbon neutrality was adopted in the National Strategy and Action Plan for Low Carbon Development in 2012 and passed its INDC in September 2015.
Technological	5. There are products/production of the environmentally-friendly goods (e.g. electric vehicles, pencils made from newspaper waste, organic food) and services (e.g. waste management and recycling industries), some of these goods and services represent major areas of public spending (e.g. green building materials for the construction sector).
NA	6. There are many certification bodies mostly in services, but no environmental standard for products (National Standard Mark).

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APPENDIX

Appendix A.1	Questionnaire for Cambodia
Appendix A.2	Questionnaire for Lao PDR
Appendix A.3	Questionnaire for Myanmar
Appendix A.4	Questionnaire for Vietnam
Appendix A.5	Questionnaire for Bhutan
Appendix B.1	Export-Import Value in Cambodia
Appendix B.2	Export-Import Value in Lao PDR
Appendix B.3	Export-Import Value in Myanmar
Appendix B.4	Export-Import Value in Vietnam
Appendix B.5	Export-Import Value in Bhutan



Guiding question for interview (Cambodia)

Project Description:

Sustainable Consumption and Production (SCP) in Asia – the Next Five project will support the development and implementation of eco-labels and SCP patterns, particularly in the field of public procurement, in five Asian developing countries with the support of Thailand. SCP contributes to the reduction of GHG emissions and improved resource efficiency along the value chain. The project will adapt to the different contexts and needs of Vietnam and ensure that measures are in line with countries' interests and priorities.

Expected outcome and outputs of the project are following;

Outcome: The public awareness, legal frameworks, and the technical and institutional capacities to develop, strengthen and apply policies and tools on Green Public Procurement (GPP) and ecolabels are supported in the target countries at the institutional level.

Output I: Legal frameworks, communication systems, and appropriate incentive mechanisms are established to address the particularly climate-relevant products and services within the framework of GPP/SPP and the environmental label systems in the target countries.

Output II: Strategies for GPP/SPP are prepared.

Output III: Environmental labels (type I) are supported in the partner countries at the institutional level.

Output IV: Mutual recognition of environmental labels in the target countries has improved.

Objectives of this questionnaire: To understand the current situation of GPP/SPP and Environmental labels, existing mechanism as well as stakeholders involved.

Expected results: The updated information and opinion on SCP, GPP/SPP, and Environmental labels in Cambodia are expected to use as inputs for planning activities, especially in first year, as well as define implementation strategy and mechanism for Cambodia.



Section 1: For Policy Maker or Regulator

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of policymaker on the Green public procurement policy
- To seek the problem and solution on Green public procurement policy

List of Entity

- National Council for Sustainable Development (NCSD)
- Ministry of Economy and Finance (MEF)
- General Department of Public Procurement (GDPP)

Level of interviewee

Head of Department or Secretary

Question list	Answer
<p>1. Does the legal framework allow for environmentally friendly products procurement?</p> <p><i>(To confirm the data reviewed and check if there are any further update)</i></p> <p>Refer to</p> <ul style="list-style-type: none"> • National Environment Strategy and Action Plan (2016-2023) = ask NCSD • Drafting of the environment and national resources code of Cambodia = ask NCSD • Law of Public Procurement = ask MEF, GDPP <p>a. if Yes, please provide detail information any laws or policies mandating for environmentally friendly products procurement (then go to 2)</p> <p>b. if No, see 2</p>	<p>if there are any update please give the reference document</p>
<p>2. Is there any plan to develop the green public procurement policy?</p> <p>a. if Yes, what ministry/department will take role and responsibility for this?</p> <p>b. if No, please describe what is the major obstacle to developing GPP policy?</p>	
<p>3. Do you think the current Government's response is sufficient to address the green public procurement?</p> <p><i>(To see whether the Government give priority to support or implement GPP enough)</i></p> <p><i>For example: the order from the prime minister, guideline or GPP manual, announcements or circulate letter to mention /set the indicator or KPI for ministry or department to keep the record of green product purchasing.</i></p> <p>a. if Yes, please describe what is the government response?</p>	



<p>b. if No, please address what do you want to see the response from the government?</p>	
<p>4. Do you think GPP will be suitable for the country's economy?</p> <p><i>(For example: if the country plan to improve the infrastructure, there will be a lot of construction or maybe they plan to increase industry production. Then there will be a lot of resource consumption or use a lot of raw material both domestic and import. In this case the answer can be implied that GPP is appropriate to country's economy.</i></p> <p><i>In contrast if the most goal of country focusing on natural resource conservation or agriculture then GPP may not appropriate)</i></p> <p>a. if Yes, please provide detail information</p> <p>b. if No, please describe why GPP is not suitable to the country's economy?</p>	
<p>5. How does GPP affect the overall economy of the country?</p> <p>What is your procurement spending annually? (in USD or local currency)</p> <p>Is there a special budget allocate for GPP?</p> <p><i>(Please provide the reference document, if any i.e. record, report for public procurement volume, GPP volume, market share of green product, % of industry contributions, trending or volume of green production etc.)</i></p>	
<p>6. Are there any support or incentive to manufacturer of green or clean production?</p> <p><i>(Green production may not be clean and can use hazardous substances but there is the control limit to not be harmful and can generate waste.</i></p> <p><i>Clean production is the process without any hazardous substance and zero waste)</i></p> <p>a. if Yes, how does the government support manufacturers for green or clean production?</p> <p><i>(if yes, please provide reference document)</i></p> <p>b. if No, what is the reason that no support or incentive to manufacturer for Green/Clean production yet?</p> <p><i>(no technology/ no government support/ no incentive/ no motivation etc.)</i></p>	<p>if yes, please provide reference document</p>
<p>7. In your opinion, how does green product affect the general consumer behavior or government procurement practices?</p> <p>If green product is available in the market, will it encourage general consumer or government to buy?</p>	



8. In your opinion, what are the barriers/challenges for implementing green public procurement in your country?	
9. What will be the solution for those barriers?	



Section 2: For Implementer

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of implementer on the Green public procurement policy and the procedure
- To seek the problem and solution on Green public procurement implementation

List of Entity

- General Department of Public Procurement (GDPP)
- Department of Pollution Control, Ministry of Environment (MOE)

Level of interviewee

- Head of Department or Secretary
- Administration officer
- Procurement officer
- Tender committee member
- Finance officer

Question list	Answer
<p>1. Does your entity <u>have your own policies/regulations</u> on the environmentally friendly products procurement? <i>(To see whether the entity give priority to purchase environmentally friendly product)</i></p> <p>a. if Yes, please provide the reference document <i>(then go to 2)</i></p> <p>b. if No, see 3</p>	request reference document
<p>2. How is your entity <u>operating</u> on procurement of the environmentally friendly products and services (including the process of procurement <u>planning and budgeting</u> per year)? <i>(To check if there is the green procurement policy within the entity then how they operate?) then go to 4</i></p>	request reference document
<p>3. How is your entity <u>operating</u> on procurement of products and services (include process of procurement planning and budgeting per year)? <i>(In case they don't have green public procurement policy in their entity. This question will recheck how they operate the procurement in general? and see if there are any gaps that they can buy green products?)</i></p>	request reference document
<p>4. How does the entity <u>communicate</u> procurement policy to the purchasing unit and other officers? <i>(To check the method of communication and see whether it is problem factors or not)</i></p>	request reference document
<p>5. Does your entity have an inspection, monitoring of the products and services procurement? a. if Yes, please describe the monitoring processes b. if No, please give the reason what is the methodology for validation of the procurement?</p>	request reference document



<p>6. What is the main purchased product? please give the list of the top 10 most purchased products/services.</p> <p><i>(Please provide the total volume of purchase (in unit number) per year and/or total value of purchase (in USD or local) per year)</i></p> <p><i>(To see the list of most wanted products/services and will match with the green production in next section of question)</i></p>	request reference document
<p>7. Are there any environmentally friendly products purchased?</p> <p><i>(To check if there is the green product have been purchased previously)</i></p> <p>a. if Yes, what kind of product? Please list them then go to 8</p> <p>b. if No, see 9</p>	request reference document
<p>8. How many percent of environmentally friendly products certified are purchased? then go to 10</p>	request reference document/report
<p>9. If GPP is implemented, what kind of environmentally friendly products or services that the entity needs to purchase as the priority?</p> <p>What is the main process or criteria to purchase the products and services? then go to 11</p>	
<p>10. What is specific process or criteria in order to purchase the environmentally friendly product?</p> <p><i>(If they have purchased green product, what will be the process (method of purchasing) or product criteria that announce in term of reference (TOR))</i></p>	request reference document
<p>11. How do you select the product or supplier?</p> <p><i>(Rules or standard to select the product/service or supplier)</i></p>	request reference document
<p>12. Can tenders be evaluated on non-financial grounds? Please share the detail of evaluated or example.</p> <p><i>(can the tender be selected by consideration on other specifications except the lowest financial proposed?)</i></p>	request reference document
<p>in case they have purchased green product:</p> <p>13(a). What is the problem in procuring environmentally friendly products?</p> <p>and What will be the solution?</p>	
<p>in case they never purchased green product:</p> <p>13(b). What do you foresee any problem of procuring environmentally friendly products?</p> <p>and What will be the solution?</p>	



<p>14. What do you think/perceive toward the operating to be consistent with the green procurement policy?</p> <p><i>(To see the officers' attitude for example</i></p> <ul style="list-style-type: none"><i>- Perception that environmentally friendly product would be more expensive.</i><i>- Lack of knowledge about the green products</i> <p><i>Complicated to implement the green procurement)</i></p>	
<p>15. What kind of helps/assistance/guidance may the procurers need to purchase green products?</p> <p><i>(example answer: training, guideline, price list, catalog, product criteria)</i></p>	



Section 3: For Industrial Supporter

Objective:

- To see the opinion of industrial supporter on the green public procurement policy and the implementation
- To seek are there any support or incentive for the green manufacturer
- To identify the problem on the green production

List of Entity

- Council for Development of Cambodia (CDC)
- Ministry of Industry, Science, Technology and Innovation (MISTI)

Level of interviewer

- Head of Department or Secretary

Question list	Answer
1. How can your entity be involved with GPP? <i>(please check from the findings)</i>	
2. How can your organization support the implementation of the GPP policy? <i>(please check from the findings)</i>	
3. Are there any green productions in the country? a. if Yes, what kind of product? Please provide the list of products or services b. if No, what is the priority products or services which will be encouraged to be green production first?	request for reference document/report
4. What do you think it will be the obstacle for having green production in your country? and what will be the solution?	
5. Are there any support or incentive to manufacturer for green production? a. if Yes, please give information b. if No, how do you encourage manufacturer to produce green product? (for example: tax exemption, low tax, training/technology transfer)	request for reference document/report
6. In your opinion, what is the proper/suitable approach that government should take to achieve GPP policy or implementation?	



Section 4: For Product Certification body

Objective:

- To find their ability and information on how the certification body develop environmentally friendly product standard
- To identify what is the problem for green product certification

List of Entity

Institute of Standards of Cambodia (ISC)

Level of interviewer

- Head of entity
- Standard development officer

Question for General Product

Question list	Answer
1. What is the product standard certification in your country? <i>(name of the mark)</i>	
2. How do you develop product standard? <i>(Before you develop standard what process you need to do for example market survey, request from manufacturer, request from government)</i>	
3. Who/Unit will develop or prepare the draft of standard?	
4. Are there any technical committee for consider the product standard? <i>(to identify role/responsibility)</i>	
5. What is the composition of technical committee? <i>(to see whether different standard will have different committee?)</i>	
6. Who is the approver product standard?	
7. How is the certification process?	
8. Are there the committee to award product certification? <i>(to identify role/responsibility)</i>	
9. What is the composition of verification committee? <i>(to see whether different standard will have different committee?)</i>	
10. What is the most certified product?	request for reference
11. Do the laboratories have potential and sufficient for testing the product?	



if no, please give reason <i>(need guidance for solution and try to find whether the lab need to get certified ISO17025? what is criteria for test result that certification body accept)</i>	
Question for Green Product	
Question list	Answer
12. Are there any green product standards? a. if Yes, go to 13 b. if No, why there is no green product standard then go to 15	
13. How do you develop green product standard?	
14. What is specification for the green product standard?	
15. What is the problem found or will be the problem for green product standard development?	



Guiding question for interview (Lao PDR)

Project Description:

Sustainable Consumption and Production (SCP) in Asia – the Next Five project will support the development and implementation of eco-labels and SCP patterns, particularly in the field of public procurement, in five Asian developing countries with the support of Thailand. SCP contributes to the reduction of GHG emissions and improved resource efficiency along the value chain. The project will adapt to the different contexts and needs of Vietnam and ensure that measures are in line with countries' interests and priorities.

Expected outcome and outputs of the project are following;

Outcome: The public awareness, legal frameworks, and the technical and institutional capacities to develop, strengthen and apply policies and tools on Green Public Procurement (GPP) and ecolabels are supported in the target countries at the institutional level.

Output I: Legal frameworks, communication systems, and appropriate incentive mechanisms are established to address the particularly climate-relevant products and services within the framework of GPP/SPP and the environmental label systems in the target countries.

Output II: Strategies for GPP/SPP are prepared.

Output III: Environmental labels (type I) are supported in the partner countries at the institutional level.

Output IV: Mutual recognition of environmental labels in the target countries has improved.

Objectives of this questionnaire: To understand the current situation of GPP/SPP and Environmental labels, existing mechanism as well as stakeholders involved.

Expected results: The updated information and opinion on SCP, GPP/SPP, and Environmental labels in Lao PDR are expected to use as inputs for planning activities, especially in first year, as well as define implementation strategy and mechanism for Lao PDR.



Section 1: For Policy Maker or Regulator

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of policymaker on the Green public procurement policy
- To seek the problem and solution on Green public procurement policy

List of Entity

- Department of Planning, Ministry of Planning and Investment (MPI)
- Department of State Assets Management, Ministry of Finance (MOF)
- Division of Public Procurement, MOF

Level of interviewee

Head of Department or Secretary

Question list	Answer
<p>1. Does the legal framework allow for environmentally friendly products procurement?</p> <p><i>(To confirm the data reviewed and check if there are any further update)</i></p> <p><i>(To seek any concrete KPI or indicators that they need to observe or report to Government)</i></p> <p><u>Refer to</u></p> <ul style="list-style-type: none"> • <i>Green Growth Strategy</i> • <i>Law on Public Procurement</i> <ol style="list-style-type: none"> a. if Yes, please provide detail information any laws or policies mandating for environmentally friendly products procurement (then go to 2) b. if No, see 2 	<p>if there are any update please give the reference document</p>
<p>2. Is there any plan to develop the green public procurement policy?</p> <ol style="list-style-type: none"> a. if Yes, what ministry/department will take role and responsibility for this? b. if No, please describe what is the major obstacle to developing GPP policy? 	
<p>3. Do you think the current Government's response is sufficient to address the green public procurement?</p> <p><i>(To see whether the Government give priority to support or implement GPP enough)</i></p> <p><i>For example: the order from the prime minister, guideline or GPP manual, announcements or circulate letter to mention /set the indicator or KPI for ministry or department to keep the record of green product purchasing.</i></p> <ol style="list-style-type: none"> a. if Yes, please describe what is the government response? b. if No, please address what do you want to see the response from the government? 	



<p>4. Do you think GPP will be suitable for the country's economy?</p> <p><i>(For example: if the country plan to improve the infrastructure, there will be a lot of construction or maybe they plan to increase industry production. Then there will be a lot of resource consumption or use a lot of raw material both domestic and import. In this case the answer can be implied that GPP is appropriate to country's economy.</i></p> <p><i>In contrast if the most goal of country focusing on natural resource conservation or agriculture then GPP may not appropriate)</i></p> <p>a. if Yes, please provide detail information</p> <p>b. if No, please describe why GPP is not suitable to the country's economy?</p>	
<p>5. How does GPP affect the overall economy of the country?</p> <p>What is your procurement spending annually? (in USD or local currency)</p> <p>Is there a special budget allocate for GPP?</p> <p><i>(Please provide the reference document, if any i.e. record, report for public procurement volume, GPP volume, market share of green product, % of industry contributions, trending or volume of green production etc.)</i></p>	
<p>6. Are there any support or incentive to manufacturer of green or clean production?</p> <p><i>(Green production may not be clean and can use hazardous substances but there is the control limit to not be harmful and can generate waste.</i></p> <p><i>Clean production is the process without any hazardous substance and zero waste)</i></p> <p>a. if Yes, how does the government support manufacturers for green or clean production? <i>(if yes, please provide reference document)</i></p> <p>b. if No, what is the reason that no support or incentive to manufacturer for Green/Clean production yet? <i>(no technology/ no government support/ no incentive/ no motivation etc.)</i></p>	<p>if yes, please provide reference document</p>
<p>7. In your opinion, how does green product affect the general consumer behavior or government procurement practices?</p> <p>If green product is available in the market, will it encourage general consumer or government to buy?</p>	
<p>8. In your opinion, what are the barriers/challenges for implementing green public procurement in your country?</p>	
<p>9. What will be the solution for those barriers?</p>	



Section 2: For Implementer

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of implementer on the Green public procurement policy and the procedure
- To seek the problem and solution on Green public procurement implementation

List of Entity

- Procurement Monitoring Office (PrMO)
- Department of State Assets Management, MOF
- Division of Public Procurement, MOF
- Department of Policy and Legislation, MOF
- Pollution Control Department (PCD), MONRE
- Department of Standard, MONRE

Level of interviewee

- Head of Department or Secretary
- Administration officer
- Procurement officer
- Tender committee member
- Finance officer

Question list	Answer
<p>1. Does your entity <u>have your own policies/regulations</u> on the environmentally friendly products procurement? <i>(To see whether the entity give priority to purchase environmentally friendly product)</i></p> <p>a. if Yes, please provide the reference document <i>(then go to 2)</i></p> <p>b. if No, see 3</p>	request reference document
<p>2. How is your entity <u>operating</u> on procurement of the environmentally friendly products and services (including the process of procurement <u>planning and budgeting</u> per year)? <i>(To check if there is the green procurement policy within the entity then how they operate?) then go to 4</i></p>	request reference document
<p>3. How is your entity <u>operating</u> on procurement of products and services (include process of procurement planning and budgeting per year)? <i>(In case they don't have green public procurement policy in their entity. This question will recheck how they operate the procurement in general? and see if there are any gaps that they can buy green products?)</i></p>	request reference document
<p>4. How does the entity <u>communicate</u> procurement policy to the purchasing unit and other officers? <i>(To check the method of communication and see whether it is problem factors or not)</i></p>	request reference document
<p>5. Does your entity have an inspection, monitoring of the products and services procurement?</p>	request reference document



<p>a. if Yes, please describe the monitoring processes</p> <p>b. if No, please give the reason what is the methodology for validation of the procurement?</p>	
<p>6. What is the main purchased product? please give the list of the top 10 most purchased products/services.</p> <p><i>(Please provide the total volume of purchase (in unit number) per year and/or total value of purchase (in USD or local) per year)</i></p> <p><i>(To see the list of most wanted products/services and will match with the green production in next section of question)</i></p>	request reference document
<p>7. Are there any environmentally friendly products purchased?</p> <p><i>(To check if there is the green product have been purchased previously)</i></p> <p>a. if Yes, what kind of product? Please list them then go to 8</p> <p>b. if No, see 9</p>	request reference document
<p>8. How many percent of environmentally friendly products certified are purchased? then go to 10</p>	request reference document/report
<p>9. If GPP is implemented, what kind of environmentally friendly products or services that the entity needs to purchase as the priority?</p> <p>What is the main process or criteria to purchase the products and services? then go to 11</p>	
<p>10. What is specific process or criteria in order to purchase the environmentally friendly product?</p> <p><i>(If they have purchased green product, what will be the process (method of purchasing) or product criteria that announce in term of reference (TOR))</i></p>	request reference document
<p>11. How do you select the product or supplier?</p> <p><i>(Rules or standard to select the product/service or supplier)</i></p>	request reference document
<p>12. Can tenders be evaluated on non-financial grounds? Please share the detail of evaluated or example.</p> <p><i>(can the tender be selected by consideration on other specifications except the lowest financial proposed?)</i></p>	request reference document
<p>in case they have purchased green product:</p> <p>13(a). What is the problem in procuring environmentally friendly products?</p> <p>and What will be the solution?</p>	
<p>in case they never purchased green product:</p>	



13(b). What do you foresee any problem of procuring environmentally friendly products? and What will be the solution?	
14. What do you think/perceive toward the operating to be consistent with the green procurement policy? <i>(To see the officers' attitude for example</i> <i>- Perception that environmentally friendly product would be more expensive.</i> <i>- Lack of knowledge about the green products</i> <i>Complicated to implement the green procurement)</i>	
15. What kind of helps/assistance/guidance may the procurers need to purchase green products? <i>(example answer: training, guideline, price list, catalog, product criteria)</i>	



Section 3: For Industrial Supporter

Objective:

- To see the opinion of industrial supporter on the green public procurement policy and the implementation
- To seek are there any support or incentive for the green manufacturer
- To identify the problem on the green production

List of Entity

- Department of SME Promotion, Ministry of Industrial and Commerce (MOIC)
- Department of Import-Export, MOIC
- Ministry of Industry and Handicrafts

Level of interviewer

- Head of Department or Secretary

Question list	Answer
1. How can your entity be involved with GPP? (please check from the findings)	
2. How can your organization support the implementation of the GPP policy? (please check from the findings)	
3. Are there any green productions in the country? a. if Yes, what kind of product? Please provide the list of products or services b. if No, what is the priority products or services which will be encouraged to be green production first?	request for reference document/report
4. What do you think it will be the obstacle for having green production in your country? and what will be the solution?	
5. Are there any support or incentive to manufacturer for green production? a. if Yes, please give information b. if No, how do you encourage manufacturer to produce green product? (for example: tax exemption, low tax, training/technology transfer)	request for reference document/report
6. In your opinion, what is the proper/suitable approach that government should take to achieve GPP policy or implementation?	



Section 4: For Product Certification body

Objective:

- To find their ability and information on how the certification body develop environmentally friendly product standard
- To identify what is the problem for green product certification

List of Entity

National Standard Council

Level of interviewer

- Head of entity
- Standard development officer

Question for General Product

Question list	Answer
1. What is the product standard certification in your country? <i>(name of the mark)</i>	
2. How do you develop product standard? <i>(Before you develop standard what process you need to do for example market survey, request from manufacturer, request from government)</i>	
3. Who/Unit will develop or prepare the draft of standard?	
4. Are there any technical committee for consider the product standard? <i>(to identify role/responsibility)</i>	
5. What is the composition of technical committee? <i>(to see whether different standard will have different committee?)</i>	
6. Who is the approver product standard?	
7. How is the certification process?	
8. Are there the committee to award product certification? <i>(to identify role/responsibility)</i>	
9. What is the composition of verification committee? <i>(to see whether different standard will have different committee?)</i>	
10. What is the most certified product?	request for reference
11. Do the laboratories have potential and sufficient for testing the product?	



if no, please give reason <i>(need guidance for solution and try to find whether the lab need to get certified ISO17025? what is criteria for test result that certification body accept)</i>	
Question for Green Product	
Question list	Answer
12. Are there any green product standards? a. if Yes, go to 13 b. if No, why there is no green product standard then go to 15	
13. How do you develop green product standard?	
14. What is specification for the green product standard?	
15. What is the problem found or will be the problem for green product standard development?	



Guiding question for interview (Myanmar)

Project Description:

Sustainable Consumption and Production (SCP) in Asia – the Next Five project will support the development and implementation of eco-labels and SCP patterns, particularly in the field of public procurement, in five Asian developing countries with the support of Thailand. SCP contributes to the reduction of GHG emissions and improved resource efficiency along the value chain. The project will adapt to the different contexts and needs of Vietnam and ensure that measures are in line with countries' interests and priorities.

Expected outcome and outputs of the project are following;

Outcome: The public awareness, legal frameworks, and the technical and institutional capacities to develop, strengthen and apply policies and tools on Green Public Procurement (GPP) and ecolabels are supported in the target countries at the institutional level.

Output I: Legal frameworks, communication systems, and appropriate incentive mechanisms are established to address the particularly climate-relevant products and services within the framework of GPP/SPP and the environmental label systems in the target countries.

Output II: Strategies for GPP/SPP are prepared.

Output III: Environmental labels (type I) are supported in the partner countries at the institutional level.

Output IV: Mutual recognition of environmental labels in the target countries has improved.

Objectives of this questionnaire: To understand the current situation of GPP/SPP and Environmental labels, existing mechanism as well as stakeholders involved.

Expected results: The updated information and opinion on SCP, GPP/SPP, and Environmental labels in Myanmar are expected to use as inputs for planning activities, especially in first year, as well as define implementation strategy and mechanism for Myanmar.



Section 1: For Policy Maker / Regulator / Implementer

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion on the Green public procurement policy and procedure
- To seek the problem and solution on Green public procurement policy and implementation

List of Entity

- Public Procurement Rules & Regulations Steering Committee (PPRRSC)
- Ministry of National Planning, Finance and Industry (MOPFI)
- Department of Environment Conservation (DEC)
- Department of Environment Conservation, MONREC

Level of interviewee

Head of Department or Secretary

Question list	Answer
<p>1. Does the legal framework allow for environmentally friendly products procurement?</p> <p><i>(To confirm the data reviewed and check if there are any further update)</i></p> <p>Refer to:</p> <ul style="list-style-type: none"> • Myanmar Sustainable Development Plan (MADP) = ask (MOPFI) • Green Economy Policy Framework = ask (PPRRSC), (DEC) <ul style="list-style-type: none"> a. if Yes, please provide detail information any laws or policies mandating for environmentally friendly products procurement (then go to 2) b. if No, see 2 	<p>if there are any update please give the reference document</p>
<p>2. Is there any plan to develop the green public procurement policy?</p> <ul style="list-style-type: none"> a. if Yes, what ministry/department will take role and responsibility for this? b. if No, please describe what is the major obstacle to developing GPP policy? 	
<p>3. Do you think the current Government's response is sufficient to address the green public procurement?</p> <p><i>(To see whether the Government give priority to support or implement GPP enough)</i></p> <p><i>For example: the order from the prime minister, guideline or GPP manual, announcements or circulate letter to mention /set the indicator or KPI for ministry or department to keep the record of green product purchasing.</i></p> <ul style="list-style-type: none"> a. if Yes, please describe what is the government response? 	



<p>b. if No, please address what do you want to see the response from the government?</p>	
<p>4. Do you think GPP will be suitable for the country's economy?</p> <p><i>(For example: if the country plan to improve the infrastructure, there will be a lot of construction or maybe they plan to increase industry production. Then there will be a lot of resource consumption or use a lot of raw material both domestic and import. In this case the answer can be implied that GPP is appropriate to country's economy.</i></p> <p><i>In contrast if the most goal of country focusing on natural resource conservation or agriculture then GPP may not appropriate)</i></p> <p>a. if Yes, please provide detail information</p> <p>b. if No, please describe why GPP is not suitable to the country's economy?</p>	
<p>5. How does GPP affect the overall economy of the country?</p> <p>What is your procurement spending annually? (in USD or local currency)</p> <p>Is there a special budget allocate for GPP?</p> <p><i>(Please provide the reference document, if any i.e. record, report for public procurement volume, GPP volume, market share of green product, % of industry contributions, trending or volume of green production etc.)</i></p>	
<p>6. Are there any support or incentive to manufacturer of green or clean production?</p> <p><i>(Green production may not be clean and can use hazardous substances but there is the control limit to not be harmful and can generate waste.</i></p> <p><i>Clean production is the process without any hazardous substance and zero waste)</i></p> <p>a. if Yes, how does the government support manufacturers for green or clean production? <i>(if yes, please provide reference document)</i></p> <p>b. if No, what is the reason that no support or incentive to manufacturer for Green/Clean production yet? <i>(no technology/ no government support/ no incentive/ no motivation etc.)</i></p>	<p>if yes, please provide reference document</p>
<p>7. In your opinion, how does green product affect the general consumer behavior or government procurement practices?</p> <p>If green product is available in the market, will it encourage general consumer or government to buy?</p>	
<p>8. In your opinion, what are the barriers/challenges for implementing green public procurement in your country?</p>	



9. What will be the solution for those barriers?	
<p>10. Does your entity <u>have your own policies/regulations</u> on the environmentally friendly products procurement?</p> <p><i>(To see whether the entity give priority to purchase environmentally friendly product)</i></p> <p>a. if Yes, please provide the reference document (then go to 2)</p> <p>b. if No, see 3</p>	request reference document
<p>11. How is your entity <u>operating</u> on procurement of the environmentally friendly products and services (including the process of procurement <u>planning and budgeting</u> per year)?</p> <p><i>(To check if there is the green procurement policy within the entity then how they operate?) then go to 4</i></p>	request reference document
<p>12. How is your entity <u>operating</u> on procurement of products and services (include process of procurement planning and budgeting per year)?</p> <p><i>(In case they don't have green public procurement policy in their entity. This question will recheck how they operate the procurement in general? and see if there are any gaps that they can buy green products?)</i></p>	request reference document
<p>13. How does the entity <u>communicate</u> procurement policy to the purchasing unit and other officers?</p> <p><i>(To check the method of communication and see whether it is problem factors or not)</i></p>	request reference document
<p>14. Does your entity have an inspection, monitoring of the products and services procurement?</p> <p>a. if Yes, please describe the monitoring processes</p> <p>b. if No, please give the reason what is the methodology for validation of the procurement?</p>	request reference document
<p>15. What is the main purchased product? please give the list of the top 10 most purchased products/services.</p> <p><i>(Please provide the total volume of purchase (in unit number) per year and/or total value of purchase (in USD or local) per year)</i></p> <p><i>(To see the list of most wanted products/services and will match with the green production in next section of question)</i></p>	request reference document
<p>16. Are there any environmentally friendly products purchased?</p> <p><i>(To check if there is the green product have been purchased previously)</i></p> <p>a. if Yes, what kind of product? Please list them then go to 8</p> <p>b. if No, see 9</p>	request reference document
<p>17. How many percent of environmentally friendly products certified are purchased? then go to 10</p>	request reference document/report



<p>18. If GPP is implemented, what kind of environmentally friendly products or services that the entity needs to purchase as the priority?</p> <p>What is the main process or criteria to purchase the products and services? then go to 11</p>	
<p>19. What is specific process or criteria in order to purchase the environmentally friendly product?</p> <p><i>(If they have purchased green product, what will be the process (method of purchasing) or product criteria that announce in term of reference (TOR))</i></p>	request reference document
<p>20. How do you select the product or supplier?</p> <p><i>(Rules or standard to select the product/service or supplier)</i></p>	request reference document
<p>21. Can tenders be evaluated on non-financial grounds? Please share the detail of evaluated or example.</p> <p><i>(can the tender be selected by consideration on other specifications except the lowest financial proposed?)</i></p>	request reference document
<p>in case they have purchased green product:</p> <p>22(a). What is the problem in procuring environmentally friendly products?</p> <p>and What will be the solution?</p>	
<p>in case they never purchased green product:</p> <p>22(b). What do you foresee any problem of procuring environmentally friendly products?</p> <p>and What will be the solution?</p>	
<p>23. What do you think/perceive toward the operating to be consistent with the green procurement policy?</p> <p><i>(To see the officers' attitude for example</i></p> <ul style="list-style-type: none"> - <i>Perception that environmentally friendly product would be more expensive.</i> - <i>Lack of knowledge about the green products</i> <p><i>Complicated to implement the green procurement)</i></p>	
<p>24. What kind of helps/assistance/guidance may the procurers need to purchase green products?</p> <p><i>(example answer: training, guideline, price list, catalog, product criteria)</i></p>	



Section 2: For Industrial Supporter

Objective:

- To see the opinion of industrial supporter on the green public procurement policy and the implementation
- To seek are there any support or incentive for the green manufacturer
- To identify the problem on the green production

List of Entity

- Ministry of Industry (MOI)
- Ministry of Commerce (MOC)

Level of interviewer

- Head of Department or Secretary

Question list	Answer
1. How can your entity be involved with GPP? (please check from the findings)	
2. How can your organization support the implementation of the GPP policy? (please check from the findings)	
3. Are there any green productions in the country? a. if Yes, what kind of product? Please provide the list of products or services b. if No, what is the priority products or services which will be encouraged to be green production first?	request for reference document/report
4. What do you think it will be the obstacle for having green production in your country? and what will be the solution?	
5. Are there any support or incentive to manufacturer for green production? a. if Yes, please give information b. if No, how do you encourage manufacturer to produce green product? (for example: tax exemption, low tax, training/technology transfer)	request for reference document/report
6. In your opinion, what is the proper/suitable approach that government should take to achieve GPP policy or implementation?	



Section 3: For Product Certification body

Objective:

- To find their ability and information on how the certification body develop environmentally friendly product standard
- To identify what is the problem for green product certification

List of Entity

National Standards and Quality Department

Level of interviewer

- Head of entity
- Standard development officer

Question for General Product

Question list	Answer
1. What is the product standard certification in your country? <i>(name of the mark)</i>	
2. How do you develop product standard? <i>(Before you develop standard what process you need to do for example market survey, request from manufacturer, request from government)</i>	
3. Who/Unit will develop or prepare the draft of standard?	
4. Are there any technical committee for consider the product standard? <i>(to identify role/responsibility)</i>	
5. What is the composition of technical committee? <i>(to see whether different standard will have different committee?)</i>	
6. Who is the approver product standard?	
7. How is the certification process?	
8. Are there the committee to award product certification? <i>(to identify role/responsibility)</i>	
9. What is the composition of verification committee? <i>(to see whether different standard will have different committee?)</i>	
10. What is the most certified product?	request for reference
11. Do the laboratories have potential and sufficient for testing the product?	



if no, please give reason *(need guidance for solution and try to find whether the lab need to get certified ISO17025? what is criteria for test result that certification body accept)*

Question for Green Product

Question list

Answer

12. Are there any green product standards?

- a. if Yes, **go to 13**
- b. if No, why there is no green product standard **then go to 15**

13. How do you develop green product standard?

14. What is specification for the green product standard?

15. What is the problem found or will be the problem for green product standard development?



Guiding question for interview (VIETNAM)

Project Description:

Sustainable Consumption and Production (SCP) in Asia – the Next Five project will support the development and implementation of eco-labels and SCP patterns, particularly in the field of public procurement, in five Asian developing countries with the support of Thailand. SCP contributes to the reduction of GHG emissions and improved resource efficiency along the value chain. The project will adapt to the different contexts and needs of Vietnam and ensure that measures are in line with countries' interests and priorities.

Expected outcome and outputs of the project are following;

Outcome: The public awareness, legal frameworks, and the technical and institutional capacities to develop, strengthen and apply policies and tools on GPP and ecolabels are supported in the target countries at the institutional level.

Output I: Legal frameworks, communication systems, and appropriate incentive mechanisms are established to address the particularly climate-relevant products and services within the framework of GPP/SPP and the environmental label systems in the target countries.

Output II: Strategies for GPP/SPP are prepared.

Output III: Environmental labels (type I) are supported in the partner countries at the institutional level.

Output IV: Mutual recognition of environmental labels in the target countries has improved.

Objectives of this questionnaire: To understand the current situation of GPP/SPP and Environmental labels, existing mechanism as well as stakeholders involved.

Expected results: The updated information and opinion on SCP, GPP/SPP, and Environmental labels in Vietnam are expected to use as inputs for planning activities, especially in first year, as well as define implementation strategy and mechanism for Vietnam.



Section 1: For Policy Maker or Regulator

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of policymaker on the Green public procurement policy
- To seek the problem and solution on Green public procurement policy

List of Entity

- Department of Science, Education, Natural Resources and Environment (DESENRE), Ministry of Planning and Investment (MPI)
- Public Procurement Agency (PPA), Ministry of Planning and Investment (MPI)
- Department of Public Asset Management (DPAM), Ministry of Finance (MOF)

Level of interviewee

Head of Department/Division or Secretary

Question list	Answer
<p>1. Does the legal framework allow for environmentally friendly products procurement?</p> <p><i>(To confirm the data reviewed and check if there are any further update)</i></p> <p><i>Refer to</i></p> <ul style="list-style-type: none">- <i>Bidding law</i>- <i>Sustainable Development Strategy for 2011-2020</i>- <i>National Strategy on Green Growth</i>- <i>National Action Plan on Sustainable Consumption and Production</i> <p>a. if Yes, please provide detail information any laws or policies mandating for environmentally friendly products procurement (then go to 2)</p> <p>b. if No, see 2</p>	
<p>2. Do the procurer/officer have knowledge/acknowledgement on the green procurement?</p> <p>a. if Yes, please provide detail information (then go to 3)</p> <p>b. if No, see 3</p>	
<p>3. Are there any training/education on environmentally friendly procurement to procurers?</p> <p>a. if Yes, please provide detail information</p> <p>b. if No, how do the procurers acknowledge the general rule of procurement or environmentally friendly procurement?</p>	



<p>4. Is there any plan to <u>improve</u> the green public procurement policy?</p> <p>a. if Yes, what part to improve?</p> <p>b. if No, please describe what is the major obstacle to improving green procurement policy?</p>	
<p>5. Is there any concrete target or indicator set for environmentally friendly products procurement?</p> <p>a. if Yes, how do you manage procurement on recording and reporting?</p> <p>b. if No, why is there no indicator set?</p>	
<p>6. Do you think the current Government's response is sufficient to address the green public procurement?</p> <p><i>(To see whether the Government give priority to support or implement GPP enough.</i></p> <p><i>For example: the order from the prime minister, guideline or GPP manual, announcements or circulate letter to mention /set the indicator or KPI for ministry or department to keep the record of green product purchasing.</i></p> <p>a. if Yes, please describe what is the government response?</p> <p>b. if No, please address what do you want to see the response from the government?</p>	
<p>7. Is the current green public procurement policy suitable for the country's economy?</p> <p><i>(For example: if the country plan to improve the infrastructure, there will be a lot of construction or maybe they plan to increase industry production. Then there will be a lot of resource consumption or use a lot of raw material both domestic and import. In this case the answer can be implied that GPP is appropriate to country's economy.</i></p> <p><i>In contrast if the most goal of country focusing on natural resource conservation or agriculture then GPP may not appropriate)</i></p> <p>a. if Yes, please provide detail information</p> <p>b. if No, please describe why the current GPP is not suitable to the country's economy?</p>	
<p>8. How does green public procurement affect the overall economy of the country?</p> <p>What is your procurement spending annually? (in USD or local currency)</p> <p>Is there a special budget allocate for GPP?</p>	



<p><i>(Please provide the reference document, if any i.e. record, report for public procurement volume, GPP volume, market share of green product, % of industry contributions, trending or volume of green production etc.)</i></p> <p><i>**focus answer from Ministry of Planning and Investment and Ministry of Finance</i></p>	
<p>9. Are there any support or incentives to manufacturers of green or clean production?</p> <p><i>(Green production may not be clean and can use hazardous substances but there is the control limit to not be harmful and can generate waste.</i></p> <p><i>Clean production is the process without any hazardous substance and zero waste)</i></p> <p>a. if Yes, how does the government support manufacturers for green or clean production?</p> <p><i>(if yes, please provide reference document)</i></p> <p>b. if No, what is the reason that no support or incentive to manufacturer for Green/Clean production yet?</p> <p><i>(no technology / no government support/ no incentive / no motivation etc.)</i></p>	
<p>10. As green product is available in the market; how does it encourage the general consumer or government to buy?</p> <p><i>(What is the reason that general consumer or government will buy green products?)</i></p>	
<p>11. In your opinion, what are the barriers /challenges for implementing green public procurement in your country?</p>	
<p>12. What will be the solution for those barriers?</p>	



Section 2: For Implementer

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of implementer on the Green public procurement policy and the procedure
- To seek the problem and solution on Green public procurement implementation

List of Entity

- Department of Science, Education, Natural Resources and Environment (DESENRE) (MPI)
- Public Procurement Agency (PPA) (MPI)
- Department of Public Asset Management (DPAM) (MOF)

Level of interviewee

- Head of Department or Secretary
- Procurement officer
- Tender committee member

Question list	Answer
<p>1. Does your entity <u>have your own policies/regulations</u> on the environmentally friendly products procurement? <i>(To see whether the entity give priority to purchase environmentally friendly product)</i></p> <p>a. if Yes, see 2 b. if No, see 3</p>	request reference document
<p>2. How is your entity <u>operating</u> on procurement of the environmentally friendly products and services (including the process of procurement <u>planning and budgeting</u> per year)? <i>(To check if there is the green procurement policy within the entity then how they operate?) then go to 4</i></p>	request reference document
<p>3. How is your entity <u>operating</u> on procurement of products and services (include process of procurement planning and budgeting per year)?</p> <p>What is your procurement spending annually? (in USD or local currency)</p> <p><i>(In case they don't have the green public procurement policy in their entity. This question will recheck how they operate the procurement in general? and see if there are any gaps that they can buy green products?)</i></p>	request reference document
<p>4. How does the entity <u>communicate</u> procurement policy to the purchasing unit and other officers? <i>(To check the method of communication and see whether it is problem factors or not)</i></p>	request reference document



5. Does your entity have an inspection, monitoring of the green public procurement of products and services procurement? a. if Yes, please describe the monitoring processes? b. if No, please give the reason and what is the methodology for validation of the procurement?	request reference document
6. What is the main purchased product? please give the list of the top 10 most purchased products/services. <i>(Please provide the total volume of purchase (in unit number) per year and/or total value of purchase (in USD or local) per year)</i> <i>(To see the list of most wanted products/services and will match with the green production in next section of question)</i>	request reference document
7. How many percent of environmentally friendly products certified are purchased?	request reference document/report
8. What kind of environmentally friendly product or service that the entity needs to purchase as the priority?	
9. What is specific process or criteria in order to purchase the environmentally friendly product? <i>(If they have purchased green product, what will be the process (method of purchasing) or product criteria that announce in term of reference (TOR))</i>	request reference document
10. How do you select the product or supplier? <i>(Rules or standard to select the product or supplier)</i>	request reference document
11. Can tenders be evaluated on non-financial grounds? Please share the detail of evaluated or example. <i>(can the tender be selected by consideration on other specifications except the lowest financial proposed?)</i>	request reference document
12. What is the problem in procuring environmentally friendly products? and What will be the solution?	
13. What do you think/perceive toward the operating to be consistent with the green procurement policy? <i>(To see the officers' attitude for example</i> <i>- Perception that environmentally friendly product would be more expensive.</i> <i>- Lack of knowledge about the green products</i> <i>- Complicated to implement the green procurement)</i>	



14. What kind of helps/assistance/guidance may the procurers need to purchase green products?

(example answer: training, guideline, price list, catalog, product criteria)



Section 3: For Industrial Supporter

Objective:

- To see the opinion of industrial supporter on the green public procurement policy and the implementation
- To seek are there any support or incentive for the green manufacturer
- To identify the problem on the green production

List of Entity

- Tax Policy Department, MOF

Level of interviewer

- Head of Department or Secretary

Question list	Answer
1. How can your entity be involved with GPP? <i>(please check from the findings)</i>	
2. How can your organization support the implementation of the GPP policy? <i>(please check from the findings)</i>	
3. What kind of product which has been produced using green technology or what kind of product that is priority to be encouraged to use green production?	request for reference document/report
4. Are there any support or incentive to manufacturer for green production? a. if Yes, please provide information b. if No, how do you encourage manufacturer to produce green product? <i>(you can ask if there is any plan to do so, or if no plan please find their view, they think it is needed to support to manufacturer)</i>	request for reference document/report
5. What do you think it will be the obstacle for having green production in your country? and what will be the solution?	
6. In your opinion, what is the proper/suitable approach that government should take to achieve GPP policy or implementation? <i>(if they are involved in GPP implementation or planning they may have a perception on what is the gap that need to be solved)</i>	



Section 4: For Product Certification body

Objective:

- To find their ability and information on how the certification body develop environmentally friendly product standard
- To identify what is the problem for green product certification

List of Entity

- Vietnam Green Label Program Office (VGLP) (VEA-MONRE)

Level of interviewee

- Head of entity
- Standard development officer

Question for Green Product

1. How do you develop green product standard?	
2. What is specification for the green product standard?	
3. Who/Unit will develop or prepare the draft of standard?	
4. Are there any technical committee for consider the product standard?	
5. What is the composition of technical committee?	
6. Who is the approver for product standard?	
7. How is the certification process?	
8. Are there the committee to award product certificate?	
9. What is the composition of verification committee?	
10. What is the most certified green product?	request for reference
11. What is the benefit for green product certified? Any incentive?	request for reference (if any)
12. What is the main market / major consumer for the certified product?	
13. What is the main reason why manufacturer <i>need</i> to get certified?	



14. What is the main reason why manufacturer does not apply to get certified?	
15. Do the laboratories have potential and sufficient for testing the product? if no, please give reason <i>(need guidance for solution and try to find whether the lab need to get certified ISO17025? what is criteria for test result that certification body accept)</i>	
16. What is the challenge for the green label certification?	
17. What will be priority to be improved for green product certification/ verification?	



Guiding question for interview (Bhutan)

For Policy maker or Regulator

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of policymaker on the Green public procurement policy
- To seek the problem and solution on Green public procurement policy

List of Entity

- Gross National Happiness Commission (GNHC)
- Public Procurement Policy Division (PPPD) Ministry of Finance
- Department of National Budget (DNB), Ministry of Finance
- National Environment Commission (NEC)
- Construction and Development Board (DNB), Ministry of Works and Human Settlement

Level of interviewer

Head of Department/Division or Secretary



Question list	Field of Question	Target Group				
			MOF			MOWHS
		GNHC	PPPD	DNB	NEC	CDB
<p>1. Does the legal framework allow for environmentally friendly products procurement? <i>(To confirm the data reviewed and check if there are any further update)</i></p> <p>a. if Yes, please provide detail information any laws or policies mandating_for environmentally friendly products procurement (then go to 2)</p> <p>b. if No, see 2</p>	P	Bhutan's 11th - 12th Five Year Plan	The Public Finance Act (PFA), 2007	<p>Standard Bidding Document (SBD), 2011</p> <p>Standard Request for Proposal (SRFP)</p>	National Environment Protection Act (NEPA), 2007	The Cottage, Small and Medium Industry (CSMI) Policy 2012



Question list	Field of Question	Target Group				
			MOF			MOWHS
		GNHC	PPPD	DNB	NEC	CDB
2. Do you think the procurer/officer has knowledge/acknowledgement on the green procurement? a. if Yes, please provide detail information (then go to 3) b. if No, see 3			✓			
3. Are there any training /education on environmentally friendly procurement to procurers? a. if Yes, please provide detail information (then go to 4) b. if No, how do the procurers acknowledge the general rule of procurement or environmentally friendly procurement? (then go to 4)	P/S		✓			
4. Is there any plan to <u>improve</u> the green public procurement policy? a. if Yes, what part to improve? (then go to 5) b. if No, please describe what is the major obstacle to improve green procurement policy? (then go to 5)			✓	✓		
5. Is there any concrete target or indicator set for environmentally friendly products procurement? a. if Yes, how do you manage procurement on recording and reporting? (then go to 6) b. if No, why is there no indicator set? (then go to 6)			✓			



Question list	Field of Question	Target Group				
			MOF			MOWHS
		GNHC	PPPD	DNB	NEC	CDB
<p>6. Do you think the current Government's response is sufficient to address the green public procurement?</p> <p><i>(To see whether the Government give priority to support or implement GPP enough)</i></p> <p>a. if Yes, please describe what is the government response? (then go to 7)</p> <p>b. if No, please address what do you want the response? (then go to 7)</p>		✓	✓	✓	✓	✓
<p>7. Is the current green public procurement policy appropriate for the country's economy?</p> <p>a. if Yes, please provide detail information (then go to 8)</p> <p>b. if No, please describe why the current GPP is not appropriate to the country's economy? then go to 8)</p>	P	✓	✓	✓	✓	✓
<p>8. How does green public procurement affect the overall economy of the country?</p> <p><i>(This information will lead to the analysis then it needs the fact information)</i></p>	E	✓	✓		✓	



Question list	Field of Question	Target Group				
			MOF			MOWHS
		GNHC	PPPD	DNB	NEC	CDB
<p>9. Are there any support or incentives to manufacturer of green or clean production?</p> <p><i>(Green production may not be clean and can use hazardous substances but there is the control limit to not be harmful and can generate waste.</i></p> <p><i>Clean production is the process without any hazardous substance and zero waste)</i></p> <p>a. if Yes, how does the government support manufacturers for green or clean production? (then go to 10)</p> <p>b. if No, why? (then go to 11)</p> <p><i>(The answer can be</i></p> <ul style="list-style-type: none"> <i>- no technology / no government support</i> <i>- no incentive / no motivation etc.)</i> 	<p>E/T</p> <p>if yes, please provide reference document</p>	✓	✓	✓	✓	✓
<p>10. How it will motivate both of consumer and government to public general?</p> <p><i>(there is green product in the market, will it encourage general consumer or government to buy?)</i></p>		✓			✓	✓
<p>11. In your opinion, what is the barrier /challenges to implement green public procurement in your country?</p>	S	✓	✓	✓	✓	✓
<p>12. What will be the solution for those barriers?</p>	S	✓	✓	✓	✓	✓



For Implementer

Objective:

- To recheck and confirm that the information from desk research is correct
- To see the opinion of implementer on the Green public procurement policy and the procedure
- To seek the problem and solution on Green public procurement implementation

List of Entity

- Policy and Planning Division (PPD), MOF
- Policy and Planning Division (PPD), MOWHS

Level of interviewer

- Head of Department or Secretary
- Procurement officer
- Tender committee member

Question list	Field of Question	Answer
<p>1. Does your entity <u>have your own policies/ regulations on the purchase of environmental friendly products</u>?</p> <p><i>(To see whether the entity give priority to purchase environmental friendly product)</i></p> <p>a. if Yes, see 2</p> <p>b. if No, see 3</p>	P	request reference document
<p>2. How is your entity <u>operating</u> on procurement of the environmental friendly products and services (including the process of procurement <u>planning and budgeting</u> per year)?</p> <p><i>(To check if there is the green procurement policy within the entity then how they operate?)</i></p> <p>then go to 3</p>	E	request reference document
<p>3. How does the entity <u>communicate</u> procurement policy to the purchasing unit and other officers?</p> <p><i>(To check the method of communication and see whether it is problem factors or not)</i></p> <p>then go to 4</p>	P	request reference document
<p>4. How is your entity <u>operating</u> on procurement of products and services (include process of procurement planning and budgeting per year)?</p>	E	request reference document



<p><i>(In case they don't have the green public procurement policy in their entity. This question will recheck how they operate the procurement in general? and see if there are any gaps that they can buy green products?)</i></p>		
<p>5. Does your entity have an inspection, monitoring of the green public procurement of products and services procurement?</p> <p>a. if Yes, please describe the monitoring processes?</p> <p>b. if No, please give the reason and what is the methodology for validation of the procurement?</p>	T	request reference document
<p>6. What is the main purchased product? please give an example for the top 10 most purchased.</p> <p><i>(To see the list of most wanted product and will match with the green production in next section of question) (in the way of volume=quantity and value=expenditure)</i></p>	E	request reference document
<p>7. How many percent of environmentally friendly products certified are purchased?</p>	E	request reference document/report
<p>8. In your opinion, do you think manufacturers are ready to get environmental friendly products certified?</p> <p>a. if Yes, what kind of product?</p> <p>b. if No, why?</p>	T	
<p>9. What is specific process or criteria in order to purchase the environmental friendly product?</p> <p><i>(If they have purchased green product, what will be the process (method of purchasing) or product criteria that announce in term of reference (TOR))</i></p>	T	request reference document
<p>10. How do you select the product or supplier?</p> <p><i>(this answer will be the rules or standard to select the product or supplier)</i></p>	T	request reference document
<p>11. Can tenders be evaluated on non-financial grounds?</p> <p><i>(can the tender be selected by consideration on other specifications except the lowest financial proposed?)</i></p> <p>a. if Yes, please share the detail of evaluated or example</p> <p>b. if No, please share the detail of evaluated or example</p>	E	request reference document



12. What is the problem in procuring environmental friendly products? and What will be the solution?	P	
13. What is your attitude toward operating in order to be consistent with the green public procurement policy? <i>(To see the officers' attitude for example</i> <ul style="list-style-type: none">- <i>Perception that environmentally friendly product would be more expensive.</i>- <i>Lack of knowledge about the green products</i>- <i>Complicated to implement the green procurement)</i>	S	
14. What kind of helps/assistance/guidance may the procurers need to purchase green products?	S	



Question list	Field of Question	Answer
For Industrial Supporter Objective: <ul style="list-style-type: none"> To see the opinion of industrial supporter on the green public procurement policy and the implementation To seek are there any support or incentive for the green manufacturer To identify the problem on the green production List of Entity <ul style="list-style-type: none"> Department of Cottage and Small Industry (DCSI), Ministry of Economic Affairs Bhutan Chamber of Commerce and Industry (BCCI) Level of interviewer <ul style="list-style-type: none"> Head of Department or Secretary 		
1. How can your entity be involved with GPP?	P	
2. How can your organization support the implementation of the GPP policy?	P	
3. Are there any green productions in the country? a. if Yes, what kind of product? b. if No, what is the priority product which will be encouraged to green production first ?	T	request for reference document/report
4. What do you think it will be the obstacle for having green production in your country?	T	
5. Are there any support or incentive to manufacturer for green production? a. if Yes, please give information? b. if No, how do you encourage manufacturer to produce green product?	E	request for reference document/report
6. What do you think the approach that the government must take to achieve GPP policy or implementation?	P/E	



Question list	Answer
For Product Certification body Objective: <ul style="list-style-type: none">To find their ability and information on how the certification body develop environmental friendly product standardTo identify what is the problem for green product certification List of Entity <p>Standard Division, Bhutan Standards Bureau (BSB)</p> Level of interviewer <ul style="list-style-type: none">Head of entityStandard development officer	
Question for General Product	
1. What is the product standard certification in your country? <i>(name of the mark)</i>	
2. How do you develop product standard? <i>(Before you develop standard what process you need to do for example market survey, request from manufacturer, request from government)</i>	
3. Who/Unit will develop or prepare the draft of standard?	
4. Are there any technical committee for consider the product standard?	
5. What is the composition of technical committee?	
6. Who is the approver?	
7. How is the certification process?	
8. Are there the committee to award product?	
9. What is the composition of verification committee?	



10. What is the most certified product?	request for reference
11. Do the laboratories have potential and sufficient for testing the product? if no, please give reason	
Question for Green Product	
12. Are there any green product standards? a. if Yes, go to 13 b. if No, why there is no green product standard. then go to 15	
13. How do you develop green product standard?	
14. What is specification for the green product standard ?	
15. What is the problem found or will be the problem for green product standard development?	

Appendix B.1

Cambodia

	Section	Export Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	15.38	22.04	15.11	30.89	11.42	45.99
2	Vegetable Products	661.69	648.13	939.19	633.6	354.88	653.75
3	Animal and Vegetable Bi-Products	18.96	24.83	13.66	17.18	25.33	26.56
4	Foodstuffs	171.19	146.83	135.77	133.89	62.08	112.86
5	Mineral Products	76.39	134.15	50.7	40.74	19.21	33.64
6	Chemical Products	14.43	10.07	47.92	122.91	35.63	28.92
7	Plastics and Rubbers	291.92	265.03	260.72	326.87	221.44	311.44
8	Animal Hides	37.86	103.99	409.54	455.86	722.8	1,135.88
9	Wood Products	217.25	421.6	470.73	98.6	28.92	64.99
10	Paper Goods	1,539.67	112.64	19.4	19.08	10.38	12.61
11	Textiles	8,553.11	9,778.43	10,410.58	11,046.64	11,100.16	13,071.73
12	Footwear and Headwear	1,214.55	282.06	1,911.04	2,133.36	1,949.52	2,261.56
13	Stone And Glass	0.76	1.66	2.34	1.73	1.36	1.39
14	Precious Metals	8.72	56.6	71.7	1,955.33	171.3	57.6
15	Metals	97.24	105.29	98.17	124.62	54.53	360.38
16	Machines	282.06	499.01	634.83	535.88	374.72	595.33
17	Transportation	488.64	454.93	459.3	425.71	414.57	482.62
18	Instruments	65.39	98.75	110.56	128.07	99.36	94.86
19	Weapons	0.5	0.02	0.69	0.03	0.04	0.01
20	Miscellaneous	37.99	92.08	106.69	133.63	145.61	207.55
21	Arts and Antiques	1.42	39.33	107.71	3.6	0.49	0.57

	Section	Import Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	15.44	21.83	15.13	30.96	12.39	48.60
2	Vegetable Products	661.63	651.12	942.18	785.33	358.57	657.63
3	Animal and Vegetable Bi-Products	14.72	20.55	17.60	16.37	24.26	26.08
4	Foodstuffs	173.20	144.75	135.97	138.93	61.55	110.79
5	Mineral Products	76.92	131.50	48.72	43.98	18.92	32.07
6	Chemical Products	12.69	9.15	49.35	124.67	36.99	29.51
7	Plastics and Rubbers	291.13	264.81	260.84	309.85	221.68	314.24
8	Animal Hides	37.71	103.73	408.75	467.06	720.99	1,138.47
9	Wood Products	213.98	412.88	445.90	256.66	29.09	65.12
10	Paper Goods	1,539.39	14.99	19.17	19.24	10.25	12.45
11	Textiles	8,519.84	9,771.90	10,408.39	11,155.38	11,046.04	13,065.83
12	Footwear and Headwear	1,211.82	1,528.45	1,910.74	2,165.29	1,946.86	2,167.07
13	Stone And Glass	0.76	1.59	2.33	3.00	1.36	1.41
14	Precious Metals	8.24	54.79	47.34	1,828.02	171.77	59.40
15	Metals	96.08	105.04	97.29	124.42	54.60	360.84
16	Machines	280.59	496.15	626.37	544.35	375.55	595.02
17	Transportation	491.25	419.86	463.92	431.42	414.48	482.64
18	Instruments	64.62	97.68	109.51	125.58	99.34	94.86
19	Weapons	0.50	0.02	0.68	0.02	0.04	0.01
20	Miscellaneous	37.99	92.15	106.77	133.57	145.68	208.98
21	Arts and Antiques	0.65	38.81	0.73	0.41	0.49	0.57

Appendix B.2

Lao PDR

	Section	Export Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	0.31	10.37	22.50	366.26	0.56	12.39
2	Vegetable Products	232.69	295.09	415.29	5,891.75	184.52	3,382.99
3	Animal and Vegetable Bi-Products	0.04	0.00	0.01	4.57	0.23	5.28
4	Foodstuffs	56.44	308.72	333.53	3,651.76	46.70	868.52
5	Mineral Products	470.58	645.73	568.73	5,908.25	597.88	21,228.67
6	Chemical Products	93.48	129.40	312.86	2,516.69	69.86	1,633.08
7	Plastics and Rubbers	112.49	113.20	130.08	1,572.75	198.32	1,919.69
8	Animal Hides	5.76	4.66	3.34	42.85	3.38	28.14
9	Wood Products	789.38	1377.39	668.05	3,074.38	236.50	2,633.84
10	Paper Goods	3.79	4.72	3.36	36.70	0.46	1,260.76
11	Textiles	275.67	346.88	291.87	2,741.49	235.74	2,824.87
12	Footwear and Headwear	21.94	33.06	30.80	424.20	46.98	748.72
13	Stone And Glass	0.68	0.91	0.99	11.29	0.01	8.65
14	Precious Metals	55.06	151.15	173.84	2,948.31	168.19	516.56
15	Metals	714.99	645.93	578.94	4,049.10	96.14	5,365.33
16	Machines	35.44	106.15	353.63	4,399.73	144.04	7,799.54
17	Transportation	16.88	11.64	28.24	405.26	0.92	138.83
18	Instruments	2.80	9.07	11.02	144.84	6.51	277.52
19	Weapons	-	-	0.13	-	-	-
20	Miscellaneous	4.94	17.64	23.20	155.17	19.58	425.74
21	Arts and Antiques	0.10	0.04	0.04	0.58	0.24	0.18

	Section	Import Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	291.38	325.62	289.60	319.52	6.90	327.32
2	Vegetable Products	43.22	79.74	134.18	144.78	11.78	75.54
3	Animal and Vegetable Bi-Products	9.15	13.68	12.89	13.84	0.66	11.95
4	Foodstuffs	356.76	408.76	445.22	529.00	38.35	525.91
5	Mineral Products	1,127.40	1161.90	941.75	766.34	20.32	1003.89
6	Chemical Products	303.73	402.96	420.79	403.93	79.19	489.65
7	Plastics and Rubbers	211.09	259.20	241.05	225.30	49.76	287.57
8	Animal Hides	4.59	18.72	8.01	11.07	1.55	4.66
9	Wood Products	6.32	7.61	9.71	12.35	1.80	9.41
10	Paper Goods	50.63	71.71	72.47	87.82	32.45	93.07
11	Textiles	135.32	231.91	183.24	206.30	53.52	158.07
12	Footwear and Headwear	13.31	21.59	15.80	10.39	3.54	11.23
13	Stone And Glass	117.49	135.37	132.21	124.21	26.89	131.78
14	Precious Metals	80.86	98.95	188.24	147.83	21.61	86.80
15	Metals	592.93	786.21	804.70	779.97	341.80	594.73
16	Machines	1,841.71	2108.77	1391.17	1280.70	928.68	1486.55
17	Transportation	1,130.54	1104.62	1138.15	1022.13	245.45	646.20
18	Instruments	50.85	48.59	56.26	74.00	37.47	108.70
19	Weapons	0.01	0.27	1.44	1.47	0.48	0.07
20	Miscellaneous	83.18	81.79	76.05	75.50	33.50	84.76
21	Arts and Antiques	0.95	0.02	0.29	0.10	0.01	0.12

Appendix B.3

Myanmar

	Section	Export Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	379.66	637.04	575.27	722.32	65.44	1,224.97
2	Vegetable Products	1,090.05	1,754.36	1726.56	1,567.78	28,479.23	1,900.80
3	Animal and Vegetable Bi-Products	0.73	1.50	1,728.94	2.58	31.87	3.60
4	Foodstuffs	74.61	131.61	356.60	1,188.88	4,626.85	820.10
5	Mineral Products	4,199.15	8,318.35	9,570.57	6,520.23	44,390.16	6,365.78
6	Chemical Products	10.55	26.63	26.81	26.09	374.66	101.44
7	Plastics and Rubbers	200.71	169.70	173.86	261.30	3,699.54	431.78
8	Animal Hides	6.49	14.84	60.21	145.77	2,115.79	348.75
9	Wood Products	1,089.81	1,023.73	497.18	516.72	3,454.62	371.67
10	Paper Goods	2.49	5.20	8.32	9.71	117.37	19.14
11	Textiles	1,164.80	1,677.00	2,015.57	2,535.12	38,056.48	5,498.14
12	Footwear and Headwear	127.37	175.93	233.96	313.28	4,139.01	539.96
13	Stone And Glass	1.16	6.52	5.80	6.47	45.64	7.25
14	Precious Metals	955.76	809.82	156.72	214.89	1,167.03	322.68
15	Metals	109.15	476.96	504.55	496.36	10,127.25	1,413.23
16	Machines	45.95	86.44	140.63	672.13	3,331.68	312.63
17	Transportation	3.18	4.46	120.01	90.47	5,167.87	192.60
18	Instruments	38.04	51.08	158.02	114.64	1,570.65	210.61
19	Weapons	0.08		0.00	0.00	6.11	0.48
20	Miscellaneous	8.30	14.01	35.03	36.92	404.02	44.75
21	Arts and Antiques	0.26	0.32	0.47	0.68	7.10	0.30

	Section	Import Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	169.87	194.28	155.97	170.59	171.01	385.64
2	Vegetable Products	216.93	550.53	469.19	640.02	656.44	599.99
3	Animal and Vegetable Bi-Products	546.31	899.49	584.98	925.99	622.79	1,077.83
4	Foodstuffs	1,205.49	1,483.42	1,963.90	2,689.29	1,757.04	2,242.83
5	Mineral Products	1,932.92	2,757.96	2,526.61	2,370.28	2,685.50	4,039.86
6	Chemical Products	1,157.32	1,439.60	1,490.98	1,640.85	1,599.66	2,228.17
7	Plastics and Rubbers	794.62	1,049.66	1,053.47	994.84	1,023.63	1,286.36
8	Animal Hides	61.98	91.03	106.30	97.57	102.86	122.05
9	Wood Products	29.39	58.85	67.75	65.10	59.20	67.08
10	Paper Goods	230.63	320.11	344.32	365.29	337.71	398.77
11	Textiles	1,660.33	1,770.07	1,655.91	1,887.00	2,014.69	3,729.21
12	Footwear and Headwear	128.89	141.45	146.52	150.61	135.09	172.36
13	Stone And Glass	240.46	304.10	347.03	384.01	273.04	360.91
14	Precious Metals	510.77	694.73	35.91	87.59	4.63	22.77
15	Metals	1,704.32	2,715.85	2,784.87	2,323.27	2,037.29	2,568.33
16	Machines	3,994.35	5,602.18	5,302.76	4,665.82	4,679.03	5,116.79
17	Transportation	2,272.38	2,601.86	3,318.35	2,477.04	2,628.73	2,249.23
18	Instruments	291.00	371.67	341.78	299.16	318.37	307.97
19	Weapons	0.41	5.07	0.90	0.28	1.26	5.12
20	Miscellaneous	582.48	382.41	344.49	339.17	320.16	464.75
21	Arts and Antiques	0.02	0.08	0.18	0.22	1.61	0.56

Appendix B.4

Vietnam

	Section	Export Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	5,174.11	6,006.62	5,199.26	5,320.08	4,737.54	5,735.28
2	Vegetable Products	9,942.37	11,249.92	11,136.11	12,020.95	10,314.39	11,338.19
3	Animal and Vegetable Bi-Products	222.36	280.69	289.86	173.95	111.71	117.30
4	Foodstuffs	3,657.03	4,289.39	4,155.72	4,415.10	3,858.80	4,854.28
5	Mineral Products	10,559.23	10,530.30	6,217.40	4,519.16	3,802.79	4,451.80
6	Chemical Products	2,328.64	2,860.77	2,795.26	2,620.62	2,685.05	3,936.64
7	Plastics and Rubbers	5,675.42	5,526.14	5,486.56	5,623.36	6,713.32	7,849.77
8	Animal Hides	2,475.03	3,112.77	3,685.68	3,750.82	4,182.97	4,569.55
9	Wood Products	2,363.15	2,616.34	2,665.53	2,549.11	2,633.83	3,374.37
10	Paper Goods	2,954.57	591.18	569.83	605.85	695.33	992.28
11	Textiles	22,651.38	26,722.40	29,569.54	30,794.83	32,953.17	38,350.12
12	Footwear and Headwear	11,457.92	14,250.11	16,048.08	17,071.24	20,441.36	23,415.95
13	Stone And Glass	1,117.24	1,507.99	1,611.19	1,396.68	1,281.17	1,834.41
14	Precious Metals	836.56	355.97	352.24	621.61	452.64	611.56
15	Metals	5,030.58	6,198.14	5,991.11	6,556.24	6,689.71	9,881.05
16	Machines	48,140.51	56,854.10	60,880.98	65,099.90	94,222.67	125,219.50
17	Transportation	1,978.16	2,436.07	2,389.51	2,819.84	2,600.05	3,271.68
18	Instruments	1,321.00	1,721.51	1,874.81	2,523.42	5,244.01	6,186.98
19	Weapons	0.08	0.14	0.15	0.17	0.09	0.48
20	Miscellaneous	6,129.68	7,097.61	7,968.83	8,517.21	10,770.63	12,190.81
21	Arts and Antiques	2.36	2.23	2.14	2.68	2.62	3.22

	Section	Import Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	5,010.78	6,913.64	7,547.09	7,123.61	10,406.76	9,714.04
2	Vegetable Products	5,623.15	6,667.14	7,297.23	8,550.30	9,793.21	12,388.83
3	Animal and Vegetable Bi-Products	646.40	738.26	616.65	692.89	10,520.75	730.46
4	Foodstuffs	5,966.70	6,888.44	7,126.98	6,982.08	6,590.75	9,287.93
5	Mineral Products	10,099.41	10,260.73	8,101.16	8,091.88	9,839.01	12,823.31
6	Chemical Products	10,202.60	11,162.06	11,768.89	10,951.28	11,816.02	15,770.72
7	Plastics and Rubbers	9,575.54	10,545.70	10,634.41	10,534.68	10,396.84	15,784.62
8	Animal Hides	1,544.42	2,092.68	2,328.04	1,911.53	1,950.09	2,477.45
9	Wood Products	1,263.25	1,834.43	1,774.19	1,467.40	1,030.06	1,421.77
10	Paper Goods	2,137.84	2,322.64	2,419.64	2,468.70	2,532.62	3,406.35
11	Textiles	13,333.46	15,092.05	15,410.94	14,784.62	21,484.09	27,984.47
12	Footwear and Headwear	646.60	923.23	1,089.19	755.82	1,664.16	1,811.71
13	Stone And Glass	1,116.00	1,653.15	2,055.35	1,687.65	2,941.24	3,241.54
14	Precious Metals	1,647.24	403.28	373.14	353.10	479.61	547.64
15	Metals	15,077.87	17,947.71	17,914.03	18,804.24	18,335.52	22,860.11
16	Machines	38,079.90	46,372.10	51,129.70	40,989.54	73,747.68	85,657.25
17	Transportation	3,967.16	6,113.43	9,204.63	8,229.02	7,071.14	8,832.30
18	Instruments	2,980.04	3,401.50	3,791.35	4,909.80	8,667.99	9,551.53
19	Weapons	153.50	105.20	159.37	5.38	18.92	9.38
20	Miscellaneous	1,321.22	1,538.23	1,939.96	1,869.00	2,554.61	3,286.51
21	Arts and Antiques	1.66	1.04	1.52	1.57	1.97	1.97

Appendix B.5

Bhutan

	Section	Export Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	0.01	0.11	0.01	0.02	0.20	0.91
2	Vegetable Products	0.36	1.28	25.29	0.92	3.75	1.41
3	Animal and Vegetable Bi-Products	-	0.03	-	-	0.00	2.50
4	Foodstuffs	2.21	4.56	6.05	5.62	7.95	10.61
5	Mineral Products	3.05	13.19	15.81	5.61	19.65	22.29
6	Chemical Products	21.73	27.62	35.90	25.86	24.01	16.08
7	Plastics and Rubbers	4.76	6.99	10.45	7.93	7.07	6.12
8	Animal Hides	0.34	0.00	-	0.03	-	-
9	Wood Products	2.56	3.23	3.35	1.71	1.48	1.71
10	Paper Goods	0.02	0.00	0.40	0.08	0.02	0.07
11	Textiles	0.13	0.12	1.48	1.23	0.10	0.27
12	Footwear and Headwear	0.04	0.00	0.02	0.09	-	-
13	Stone And Glass	1.79	2.23	2.33	1.72	0.97	0.82
14	Precious Metals	0.00	0.01	-	0.02	0.01	0.03
15	Metals	110.76	109.03	113.74	85.06	126.78	186.50
16	Machines	1.11	0.87	0.54	0.70	1.37	1.93
17	Transportation	0.15	0.22	0.80	1.65	1.53	10.70
18	Instruments	0.02	0.12	0.16	0.08	0.09	0.11
19	Weapons	0.01	-	-	-	-	-
20	Miscellaneous	0.05	0.01	0.06	0.05	0.04	0.05
21	Arts and Antiques	0.01	0.01	0.02	0.87	0.04	0.18

	Section	Trade Value by section (\$M) in ...					
		2013	2014	2015	2016	2017	2018
1	Animal Products	1.79	6.85	5.97	14.58	18.74	27.54
2	Vegetable Products	2.41	4.19	6.38	4.55	5.73	8.04
3	Animal and Vegetable Bi-Products	0.00	0.12	2.17	5.23	7.25	12.85
4	Foodstuffs	11.86	24.84	27.90	22.81	21.27	36.27
5	Mineral Products	73.43	83.69	100.79	92.58	154.85	174.99
6	Chemical Products	10.37	8.90	16.65	13.86	17.99	31.12
7	Plastics and Rubbers	8.21	6.75	11.10	14.62	16.48	33.90
8	Animal Hides	0.84	0.78	0.61	0.19	0.23	0.37
9	Wood Products	0.62	9.22	4.94	2.47	1.95	16.48
10	Paper Goods	1.91	1.86	3.32	2.92	3.99	8.99
11	Textiles	26.82	2.79	5.12	14.24	2.35	32.54
12	Footwear and Headwear	0.62	0.74	0.50	0.39	0.64	1.89
13	Stone And Glass	2.46	0.97	2.93	2.29	4.45	11.41
14	Precious Metals	0.20	0.09	0.07	1.46	0.42	4.19
15	Metals	36.93	41.11	52.02	42.97	45.96	86.04
16	Machines	58.82	29.89	100.74	136.27	131.91	140.66
17	Transportation	6.94	12.63	116.48	74.75	40.94	97.52
18	Instruments	2.96	2.14	2.92	3.87	4.46	13.13
19	Weapons	0.03	0.13	0.13	0.02	0.05	0.07
20	Miscellaneous	4.13	2.94	3.90	3.42	3.04	17.64
21	Arts and Antiques	0.08	0.15	0.67	0.08	0.09	0.24