

# Sustainable Public Procurement in Urban China

*How the Government as Consumer Can Drive Sustainable Consumption and Production*





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## Project at a Glance: Sustainable Public Procurement in Urban Administrations in China

The **SuPP-Urb (Sustainable Public Procurement in Urban Administrations in China)** project successfully introduced sustainable public procurement practices in the three Chinese target cities Lanzhou, Qinhuangdao and Tianjin. The lessons learned show that it is possible in a short timeframe to achieve tangible results and improvements in environmental performance through changing procurement practices. Mainstreaming these successful practices will enable more effective use of public purchasing power for the realisation of sustainable consumption and production patterns in China.

From 2009 to 2011, the pilot cities received active support from the SuPP-Urb project and the EU SWITCH-Asia Programme. By changing their purchasing procedures, they successfully strengthened local markets for sustainable products and services; they promoted local innovation and effectively reduced their cities' CO<sub>2</sub> emissions by more than 105,000 tonnes of CO<sub>2</sub>; and, they also decreased their resource consumption. In this way, the SuPP-Urb project contributed to the objective of the EU SWITCH-Asia Programme to support Asian countries adopting more sustainable growth patterns. In this case, it supported China achieving the environmental targets of China's 11th Five-Year Plan (2006-2010) and fostered sustainable consumption at the city level.

*The SuPP-Urb project was funded by the European Union under the SWITCH-Asia Programme and led by the Wuppertal Institute for Climate, Environment and Energy. The local partners were public procurement centres from Qinhuangdao, Tianjin and Lanzhou which tested and implemented sustainable public procurement practices. The Environmental Management College of China, Nankai University, Lanzhou Environmental Protection Bureau and the UNEP/Wuppertal Institute Collaborating Centre on Sustainable Consumption and Production supported the pilot cities in their activities with their scientific expertise.*

- *Total project budget was EURO 908,000.*
- *The project started in December 2008 and ended in December 2011.*
- *Project documents, background reports, methodologies and photos are available for download on the project website:  
<http://public-procurement.emcc.cn>*

*"The most important effect of SuPP-Urb was not the achieved concrete energy savings and emission reductions, but the engagement between local governments with civil society. As a result of SuPP-Urb Chinese local governments are now much more willing to procure more sustainable products and support sustainable lifestyles."*

*Professor Zhang Mingshun, Environmental Management College of China*



*Fig 1: Location of pilot cities.*



# 1 Point of Departure: Current Situation of Sustainable Public Procurement in China

Through public procurement, governments can influence markets without regulating them directly. For China, this implies immense potential for two reasons: first, in China market liberalisation continues and direct state intervention decreases respectively; second, the country still has an enormous state-owned industry sector and government apparatus. As a consequence, public procurement is a critical element of China's public policy and market development — including the field of sustainable development.

Sustainable government consumption can raise public awareness for environmental protection and social issues. It can promote green consumption and push industries towards cleaner production, technological innovation and improved working conditions. The integration of social and environmental criteria in the public procurement process is generally referred to as sustainable public procurement (SPP). The SuPP-Urb project selected the government procurement sector as a central theme. This comprises a part of what is called public procurement in Europe, namely all purchases that are related to the operation of public service units.

## Defining Sustainable Public Procurement (SPP)

*The SuPP-Urb project focused on government procurement which comprises all purchases related to the operation of government departments, public institutions, hospitals, universities and other public service providers. Main product groups included in government procurement are office furniture, electric appliances (e.g. refrigerators, air conditioners), office equipments (e.g. computers, photocopiers, printers) and office consumables such as paper products and stationary.*

## China's SPP Policy Framework

SPP offers immense potentials for resource efficiency, emissions reductions, innovation and development of small and medium-sized enterprises (SMEs). All these are goals defined in Article 9 of the Government Procurement Law of the People's Republic of China. Their implementation is based on two crucial decisions: in 2004, China's National Development and Reform Commission (NDRC) and Ministry of Finance brought energy-efficient procurement on the way. In 2006, China's Ministry of Finance and State Environmental Protection Administration (now the Ministry of Environmental Protection) issued a directive promoting green public procurement. In both cases, central product lists were issued to guide and support local procurement decisions. These two lists are the basis for SPP in China. PPCs inviting for tenders must purchase products from the binding categories of the energy-saving list and primarily, but not compulsorily, purchase products from the remaining categories of the energy-saving list and those products in the environmental list. This reflects the fact that saving energy is a high priority for achieving low-carbon development in China.

The *Public Procurement List of Energy Saving Products* has been adjusted eleven times since 2004 when it was first released. It includes now 30,000 types of products of 28 product categories manufactured by 600 enterprises, compared to only 1500 types of products in eight product categories manufactured by about 90 enterprises in 2004.

Similarly, the *Public Procurement List of Environmental Labelling Products* is also a dynamic list that is being frequently updated. It has been renewed eight times since it was introduced. It now includes 24 product categories manufactured by about 800 enterprises, compared to 14 product categories by 81 enterprises when first implemented in 2006.

### The Government Procurement Lists

*To support local administrations the government has issued two product lists for public procurement. The consideration of sustainability criteria in government procurement is mainly based on these two lists:*

- *Public Procurement List of Environmental Label Products (issued by Ministry of Finance and Ministry of Environmental Protection) and*
- *Public Procurement List of Energy Saving Products (issued by Ministry of Finance and NDRC).*

One fundamental challenge of central procurement regulation is the definition of multiple and soft goals in Article 9 of the Government Procurement Law which emphasises “environmental protection, assistance to underdeveloped or ethnic minority areas, and promotion of the growth of small and medium-sized enterprises.” Central planning for the parallel achievement of these multiple goals — and keeping them in line with the primary goal of economic efficiency — represents a challenge. China’s ongoing national policy dialogue on SPP seeks to improve legislation in this regard.



## The Actors

The central government provides the framework for public procurement. However, the actual budget allocation for carrying out public procurement, specification and customisation of regulations as well as training of procurement officers is the domain of sub-central government bodies. Therefore, local action is crucial to success.

The local procurement bureaucracy fulfils two functions: one involves local policy-making, strategising and monitoring; the second function consists of centralised management of actual procurement processes. Such centralised government procurement comprises all purchases for public service units like municipal administrations, universities and hospitals.

In bigger cities like Tianjin, the two functions of procurement bureaucracy are divided between a public procurement bureau (PPB) and a public procurement centre (PPC). In medium-sized cities like Qinhuangdao, there only exists a PPC and the tasks otherwise carried out by the PPB are divided between the city government and the PPC. A pro-active PPC can have a significant leverage when it comes to promoting sustainable consumption and production patterns. It holds an important position as intermediary engaging with a variety of public consumers and their suppliers (see fig 2).

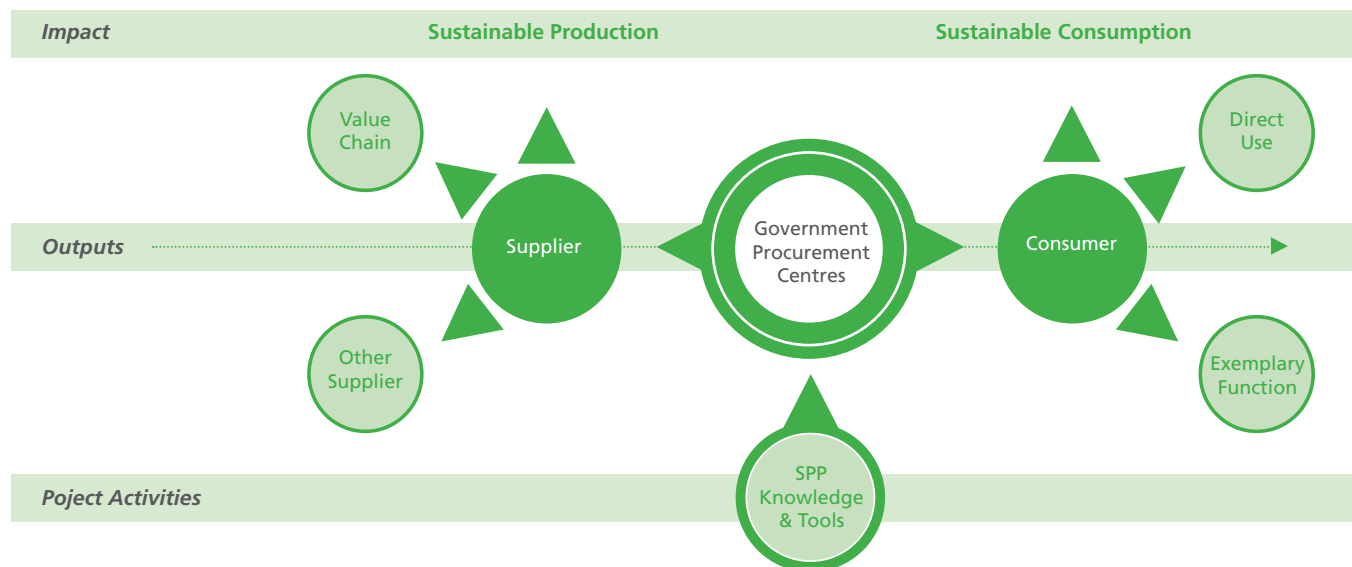
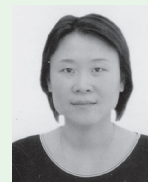


Figure 2: The pivotal role of local PPCs in China.



*“Experiences of SuPP-Urb show that all stakeholders in public procurement are very willing to adopt SPP practices. The key barrier is how we can bring all stakeholders together. The SuPP-Urb project is a good example demonstrating how all stakeholders have cooperated successfully and with friendly attitudes towards each other.”*

*Ms. Chen Yanping, Director Tianjin Public Procurement Centre*



## The Need for Action

Local PPCs can make a big difference. This is underlined further by the fact that about 90% of government procurement in China is carried out by local governments. Two questions that were addressed by the project were:

- Do local PPCs have the necessary capacity to implement SPP?
- Do local conditions allow for tapping the potentials of SPP under the current situation?

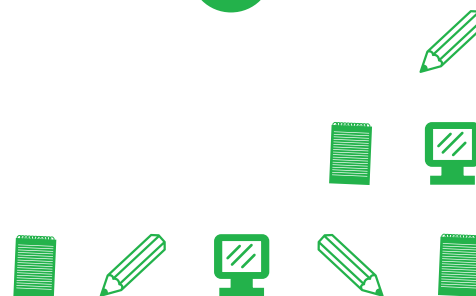
First of all, overall bureaucratic capacity of urban administrations has increased in the last decades, but it varies greatly across regions and cities. Second, embedment of bureaucratic units in local systems can respectively support or hinder implementation regardless of capacity. Under these circumstances, the application of the two procurement lists has already yielded positive results: practicability of SPP has been acknowledged and some cities have been implementing it since 2007. SPP was officially started countrywide in 2008 and the respective national policy dialogue is ongoing.

## The scale of public procurement in China

*In 2009, government procurement added up to 599 billion Yuan (about 65 billion Euro) or 2% of Chinese GDP (WTO, 2010, p. 40). However, the complete public procurement market is estimated to be between 4.08 and 6.8 trillion Yuan (between 443 and 738 billion Euro) (EUCCC, 2011, p. 16).*

*EUCCC. (2011). Public Procurement Study: European Business Experiences Competing for Public Contracts in China. European Chamber of Commerce in China.*

*WTO. (2010). WTO Trade Policy Review China. World Trade Organisation.*



Despite these initial steps, huge SPP potentials still remain untapped under the current SPP system for several reasons:

- Although quantities, kinds of products, enterprises and trademarks of sustainable products in the two lists are constantly expanding, the product categories and contents of the lists are still limited.
- Lists are designed to be applicable across the country, including less-developed parts — with the result that underlying sustainability standards are often too low when applied in coastal urban areas. Not always do local governments in such areas have the capacity or the awareness to implement more effective SPP regulation and procedures.
- Capacity in the field of SPP at the local level is centralised — in PPCs. However, it is scattered when looking at regions. Here, synergies for pooling knowledge and experiences are not yet tapped systematically.
- China's product markets are fragmented. Local access to sustainable products is often limited.
- Often suppliers are not aware of concrete SPP requirements. They might be discouraged to participate in tenders or, if they do, not win the bids.
- Awareness about environmental, social and economic benefits of SPP varies and is generally too low.

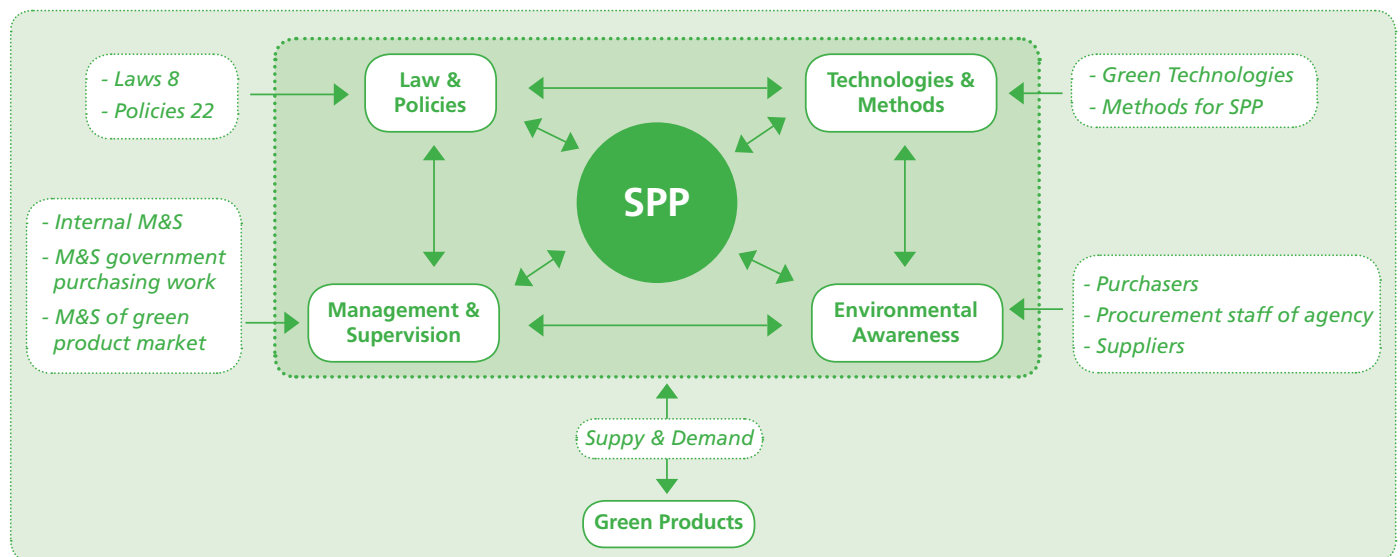


Figure 3: An overview of China's SPP system.

## 2 How did SuPP-Urb drive change towards SPP?

Public procurement practices in China are very different from those in Europe. Only in some instances European experiences can be transferred and customised, in some cases capacity needed to be developed in China. The SuPP-Urb Project objectives, activities and deliverables reflected this. Interestingly, Chinese centralised government purchasing offers opportunities for effective SPP not given in Europe where most public organisations take care of their own procurement needs.

### Project Objectives: From Practical Improvements to a Long-Term Strategy

In the face of many untapped potentials, SuPP-Urb was designed to assess first successes in the field of SPP; to define principles and procedures of SPP, concretely support their systematic improvement; and to combine them and prepare lessons learned for mainstreaming good SPP practice in China.

The project focused on the work of public procurement centres (PPCs) (see fig 2) and selected three pilot cities for in-depth cooperation.

#### Project activities at a glance

- *Inquiry into principles and procedures of SPP in China and Europe*
- *Development and testing of guidelines and tools for SPP at the local level*
- *Supporting the implementation of SPP in the three pilot cities Lanzhou, Qinhuangdao and Tianjin through stakeholder workshops, visits by EU experts and scientific monitoring*
- *Dissemination of project results in China and Asia*
- *Feeding results into the national policy dialogue on SPP*

The principal objective of the project was to contribute to China's efforts to mitigate climate change and to reduce environmental degradation. It also supported achieving the environmental targets of the Chinese government's 11th five-year plan by concretely assisting the implementation of SPP at the city level in the three cities of Lanzhou, Tianjin and Qinhuangdao to encourage the wider uptake of sustainable products.



## Project Activities: From Knowledge to Impact

The project was carried out in four phases (see fig. 4). The first phase built a common understanding and good relations between European and Chinese project partners on concrete terms of cooperation. Good practices of SPP and current experiences from China and the EU were shared. It also included networking between stakeholders from the three pilot cities and associated cities, PPCs, consumer associations, SMEs, NGOs and the scientific community.

The purpose of the second phase was to identify and test tools, principles and guidelines for SPP and adapt them to the local situation. Drawing on the experiences made by local PPCs, specific institutional barriers, opportunities and legal requirements both at the national and local level were screened and implementation through setting up action plans was prepared.

During the third phase, implementation of SPP in the target cities was the main element of project activities. After having tested sustainable public procurement tools during two or three standard procurement processes in each city, tools and processes were then fine-tuned and implemented as regular procurement practice.

The last phase concerned dissemination of results and focused on transferring the experiences, tools and results to other Chinese cities in order to mainstream SPP. In parallel to this, recommendations for improving the national policy framework were developed and discussed with stakeholders from the Chinese government.

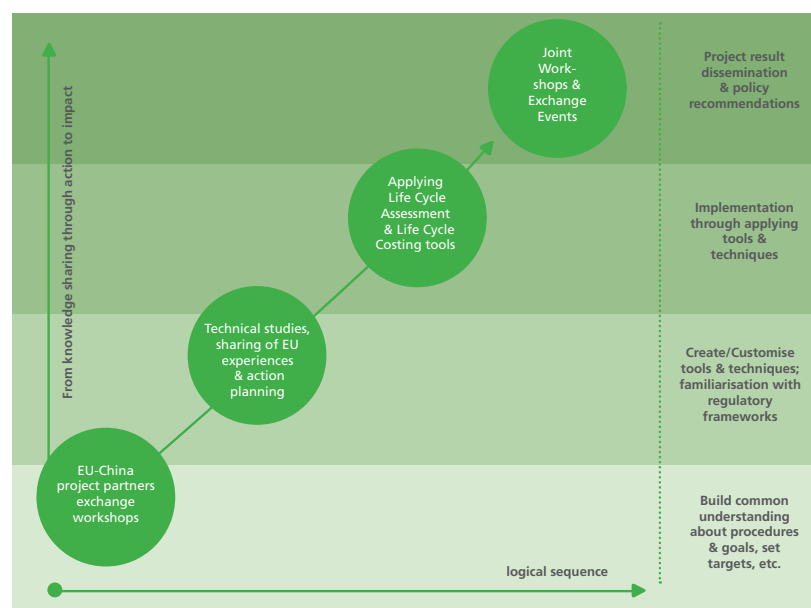


Figure 4: From knowledge to impact — the four project phases.



## Project Deliveries: From Concrete Tools to Strategic Policy Recommendations

### Phase One: Target Setting and Capacity Development

Beside less tangible outcomes such as trust building, network building and cross-linking of knowledge among project partners from Europe and China, the outputs of the first phase of activities included a number of background studies on SPP in China and Europe, product labelling practices, the role of social criteria for SPP and general principles and procedures. The studies and reports are useful background resources for organisations involved in public procurement.

#### Deliverables

*SuPP-Urb was an impact-driven project. Therefore, most research studies and report-like deliveries served as preparation for Sino-European exchange, stakeholder involvement and capacity building. Core deliveries consisted of trainings, conferences and workshops. All background studies, reports and proceedings of workshops are available to the general public via the project website: <http://public-procurement.emcc.cn/>*

### Phase Two: Testing of guidelines and tools

In phase two, trainings were carried out on SPP tools such as Life Cycle Assessment (LCA), Life Cycle Costing (LCC) and institutional analysis of regulatory frameworks.

The tools were adjusted to local conditions. For example, to improve SPP practices, in collaboration with the PPCs of the three cities not only new tools were introduced, but also technical and regulatory requirements developed. At the beginning of 2010 the PPCs were provided with *Technical Guidelines Of Sustainable Public Procurement In China and Europe* compiling latest regulations and guidelines.

Application of LCA and LCC helped the local PPCs to make more environmentally responsible purchasing decisions. With scientific support by collaborating research institutions like the Environmental Management College of China and Nankai University, PPC staff members were introduced to LCA and LCC methodologies. LCC methodologies proved more relevant for PPCs than LCA due to the complex technical aspects of LCA. Another SPP method successfully applied was awarding extra scores to sustainable products in bid evaluations. The application of the tools was monitored. Through these activities testing could be optimised and concrete actions for mainstreaming were planned.



## Life-Cycle Costing (LCC)

Life Cycle Costing is a method for estimating the total cost of goods and services. It is a structured approach that can be used to generate product profiles covering the complete anticipated life span. Based on such LCC profiles, higher initial procurement expenditures can be justified, as there will be paybacks over the lifetime of the product. This is especially relevant for energy using products such as computers, refrigerators or motor vehicles. This makes LCC a mighty tool for SPP as it helps to systematically reward energy and resource efficiency.

### Phase Three: Implementation and Mainstreaming

In a next step, the three PPCs started carrying out sustainable public procurement as inherent part of their activities — applying the tools, procedures and practices that had shown good results in the testing phase. Direct impacts were achieved and in parallel potentials for indirect impacts were analysed and policy recommendation prepared. Again, deliverables were not provided as stand-alone items but jointly discussed among all project partners at a conference in Lanzhou in March 2011 together with suppliers and users.



**April 2009:**  
Project kick-off meeting

2009

2010

Capacity Building



Principles and Procedures in SPP  
in China and Europe

Illustrative Examples and Practical  
Insights of SPP in China and Europe

Local Frameworks and Needs of the  
Three Cities

Technical Guidelines of Sustainable  
Public Procurement in China

*“Through the implementation of SuPP-Urb, more and more municipal PPCs are adopting life-cycle cost analysis in their bids evaluations. This provides great opportunities that full life-cycle environmental impacts of goods and services could be taken into account.”*

Professor Ju Meiting, Nankai University



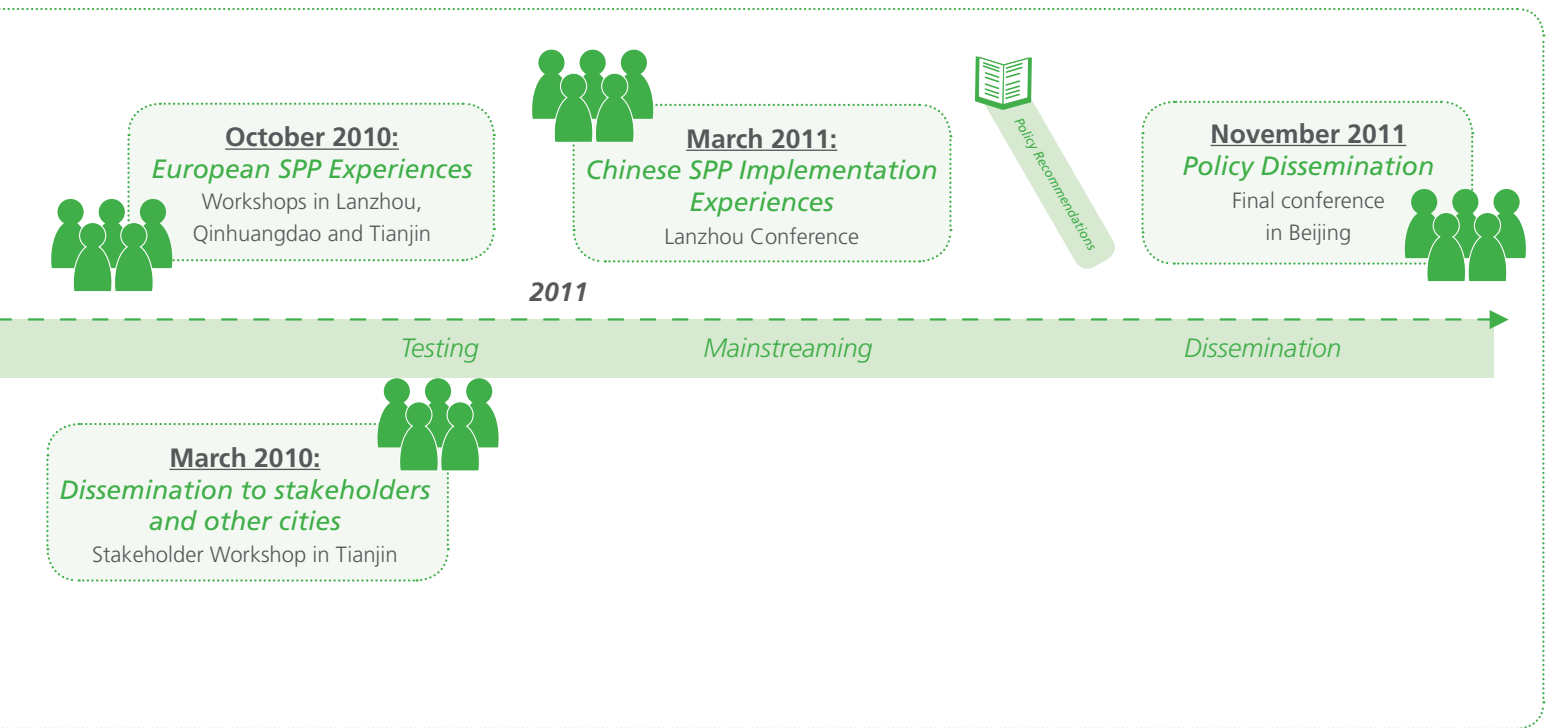


Figure 5: Project Timeline

### Phase Four: Disseminating Project Results

The focus of the last project phase was the development of policy recommendations for SPP and stakeholder engagement — especially with regard to businesses and suppliers, other government organisations like environmental protection bureaus, but also research institutes and other cities’ PPCs. Main deliverable here was a policy recommendation paper to be fed into the national policy dialogue on SPP and the final conference.

*„SuPP-Urb has significantly contributed to an improved stakeholder dialogue on sustainable government procurement in China. This would not have been possible without the unwavering support and engagement of our Chinese partners. Introducing the lessons learned of the SuPP-Urb experience into the national evaluation process of public procurement in China will further widen the outreach and impact of the SuPP-Urb project far beyond the project’s pilot cities.“*

*Urda Eichhorst, SuPP-Urb Project Manager, Wuppertal Institute*



### 3 What impacts did SuPP-Urb achieve?

SuPP-Urb was not designed as a classical pilot project that mainly focuses on creating replicable direct impact. Instead, it went beyond direct emissions reductions and aimed at achieving indirect effects and, eventually, policy uptake for long-term change. As a consequence of differing impact dimensions SuPP-Urb has several different target groups both on local and national level (see fig. 6).

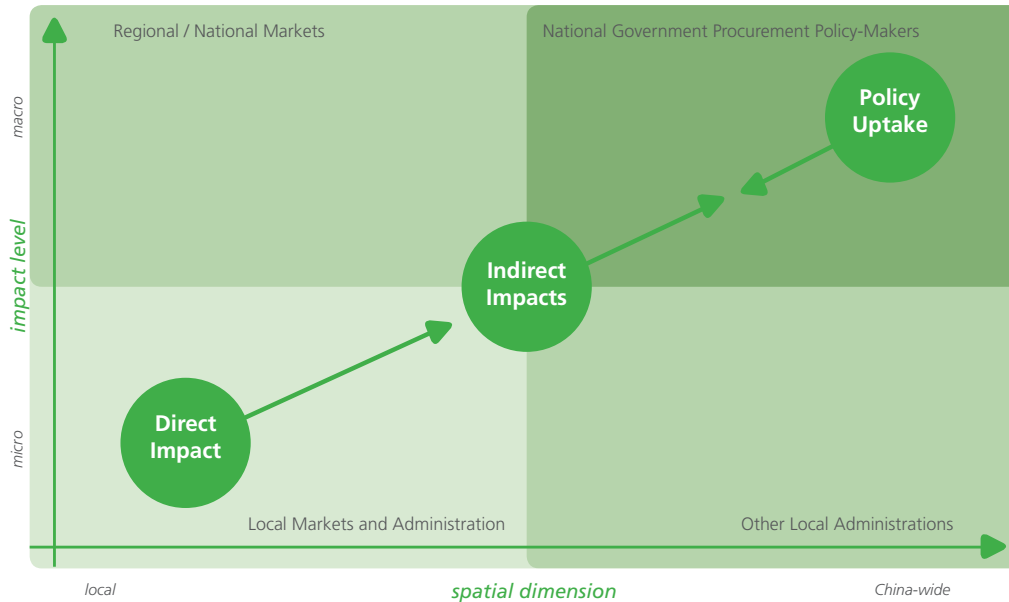


Figure 6: SuPP-Urb target groups and impact dimensions.

#### Direct Impact: Curbing Emissions and Reducing Resource Consumption

Without solid and sound assessments procedures even direct impacts are hard to measure and a project's relevance for policy uptake is difficult to demonstrate. Therefore, assessment of direct impact was an important task of the project consortium. The scientific partners on the Chinese side developed appropriate tools for impact assessment.

It was found that the purchasing of green products by the PPCs of the three project cities during the project implementation period achieved direct positive results in terms of energy, water and oil savings. CO<sub>2</sub> emissions were also reduced (see fig. 7).



City	Total Procurement	Total SPP	Rate of SPP	Electricity saved	Water saved	Oil saved	Waste	CO <sub>2</sub>
	10000 yuan	10000 yuan	%	10000 kw	1000 Kg	1000 L	1000 Kg	1000 Kg
Tianjin	80448	69318	86%	1764	30520	10758	31011	88345
Lanzhou	4696	4311	92%	89	2302	932	1618	5715
Qinhuangdao	9869	7869	80%	183	6447	2318	1790	11689
Total	95013	81498	86%	2036	39269	14008	34418	105749

Figure 7: Direct emission and resource consumption reductions.

To get an idea of what the savings mean: For example, the annual electricity savings of the procurement centres equate to the annual electricity consumption of 8,293 Chinese people. In terms of CO<sub>2</sub> emissions, the changes in procurement practices of the three PPCs achieved reductions of 105,749 tonnes CO<sub>2</sub>. This is the equivalent of the annual CO<sub>2</sub> emissions of 17,335 Chinese people in 2009, when the annual per capita emissions were 6.1 tonnes.

Data by the Netherlands Environmental Assessment Agency, available at: <http://www.pbl.nl/en/publications/2010/No-growth-in-total-global-CO2-emissions-in-2009>



*“We are excited about the concrete emissions reductions achieved by SPP. We were paying much attention to emissions reductions from production process and we previously neglected the potential positive effects that sustainable consumption could achieve.”*

*Mr. Li Lei, Lanzhou Environmental Protection Bureau*



## **Indirect Impact: SuPP-Urb PPCs as Multipliers**

The type of government procurement addressed by the SuPP-Urb project adds up to about 2% of China’s overall GDP. Whilst this is a significant share, the real relevance of SPP becomes clear when recognising it as a lever for indirect impact going beyond local SPP.

Indirect impact describes all secondary effects on target groups (see fig. 6) that result from sustainable purchasing activities by local governments. Indirect impacts include efforts for sustainable innovation by companies willing to remain or become government suppliers — with the result that the quality and quantity of sustainable products in the overall market increases. Other indirect impacts are increased awareness among civil servants in urban administrations — they started purchasing more sustainable goods in their private lives.

Beyond these effects, sustainable government consumption will have an exemplary function for the general public — governments lead by setting good examples. Altogether, SPP can change private consumer and producer behaviour as well, even for those who do not directly interact with the local PPC.

Further indirect impacts can be realised when SPP implemented by one PPC becomes known beyond the respective administrative district, for example through suppliers which sell to regional and national markets and turn towards sustainable business practices due to SPP. Or it can work through policy uptake, improvements of national industry standards and through replication in other municipalities. Finally, successful SPP in government procurement can serve as an example for a transfer to other fields of public procurement with larger direct influence in GDP terms (see fig 8).

### **Government Procurement as example**

*Successful replication and institutionalisation of advantageous government procurement practices can have significant indirect effects when they are transferred to all fields of public procurement. This way a market a four to seven times bigger could be addressed directly.*

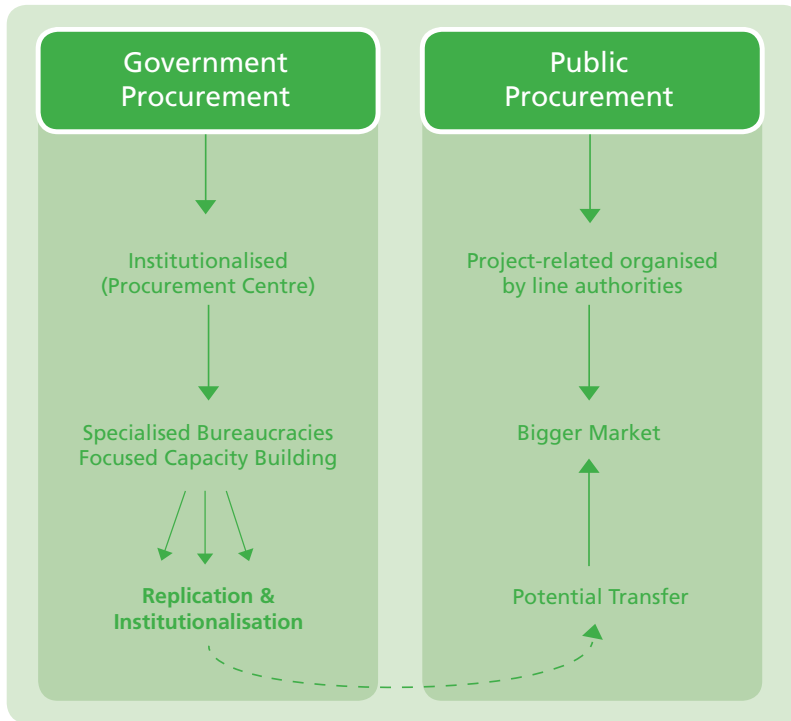


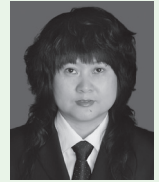
Figure 8: China's government procurement as basis for SPP in all fields of public procurement.

Assessing such indirect impacts quantitatively is challenging. The SuPP-Urb project used qualitative indicators for stating relevant indirect impacts. For instance, suppliers and users in two of the three cities were influenced in their strategising by shifts towards SPP. Institutional consumers reported higher environmental awareness. Other cities' procurement officers, and even provincial-level officials, attended project events and so did numerous potential suppliers. Project results were spread to other cities through the national network of PPCs.



The PPCs of Tianjin, Qinhuangdao and Lanzhou managed to establish direct consultation processes with various suppliers — among them companies with regional, national and even global outreach e.g. an international computer manufacturer. Via such consultation processes the PPCs can feed in signals to companies' strategy departments. Suppliers were not only asked about the sustainability of their products, but also about their environmental management systems. The outreach to SMEs was a major success and 884 SME suppliers (493 in Tianjin, 115 in Lanzhou and 276 in Qinhuangdao) were involved through participation in bidding, training, workshops and sustainable product exhibitions.

*“We have put a sign saying ‘Sustainable Procurement’ on the wall of our bid evaluation room and in the front of our office building. This sign always attracts the attention of evaluators and SME suppliers who realise that we at Qinhuangdao PPC are increasingly implementing SPP.”*



*Ms. Li Xiuli, Qinhuangdao Public Procurement Centre*

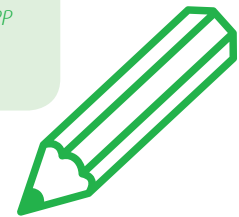
## Scaling-up: Implications for the National Level

National-level policy uptake is even harder to measure than indirect impacts. One reason is that the time lag for policy uptake is even longer than the one for indirect impacts. SuPP-Urb used a number of channels for dissemination of project achievements and commitment of consortium members opened up various opportunities: project outputs will be fed into ongoing policy making on the national procurement system via participation in hearings and commenting of the ongoing national procurement survey. The project’s policy recommendations are also being promoted in the scientific realm and international initiatives via conference participation and publications.



### **National Policy Impacts:**

*One of the main achievements and impacts at national level is that SuPP-Urb contributes to the National SPP Evaluation Programme, which aims at evaluating the current policies, their implementation and formulating the next five year national SPP Plan.*



## What SuPP-Urb can contribute to the future of SPP

One approach in Chinese policy-making is to take successful examples of local pilot projects and promote wider implementation across the country via national regulation. Impacts and lessons learned from the SuPP-Urb project qualify the three partner cities as exactly such pilot cases. However, not only implementation in case study cities can serve as example for scaling up. Looking at the impact chain reveals a variety of actors, such as regional suppliers or business associations, and channels such as the Internet or specialised media for driving change beyond the local level (see fig 9).

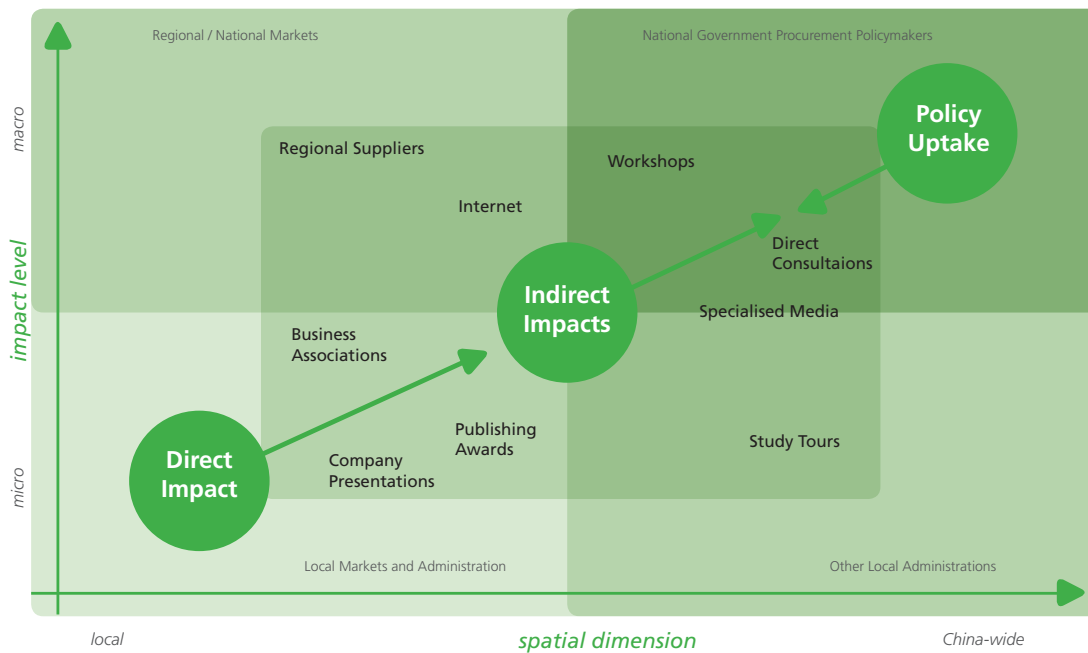


Figure 9: Actors and channels for driving SPP in China.

All these channels and actors contribute to the implementation of SPP and local success cannot be separated from them. Not every city uses every channel, not every PPC cooperates with each of the groups. However, all these aspects are relevant when it comes to disseminating lessons learned and next steps.

*“Via SuPP-Urb, our cooperation with the local Environmental Protection Bureau has been improved and intensified. The involvement of the local Environmental Protection Bureau in our procurement makes sure that environmental issues are now always taken into account in our procurement activities.”*

Mr. Wu Weiyi, Director of Lanzhou PPC



## Lessons learned

In the SuPP-Urb project a variety of different partners cooperated to drive change in a complex system. The consortium covered different development stages and different regions in China; it brought together European and Chinese scientists and procurement practitioners. Against this background, important experiences and lessons learned should not get lost:

- The project showed that it is possible to achieve very good and tangible results at the local level in a very short period of time through active engagement of local stakeholders.
- The main strength of the project was the active involvement of the public procurement centres (PPCs) of the three target cities plus associate PPCs in other Chinese cities. Success of the project was also secured through the support of local Environmental Protection Bureaus (EPBs) and local scientific partners.
- The institutional and legal aspects for SPP in China and Europe differ starkly. Cross-linking of experiences and mutual learning were important elements of the project. The exchange showed that many principles and procedures of SPP in Europe are not easily transferable to China, but bear potential for adaptation to the local context.
- The SuPP-Urb project focused on the implementation of SPP at the city level, the consortium included many local authorities. For many of them, this was the first time to cooperate with European partners. The relationship with both the partners and the associated cities proved very effective and fruitful. This might be an incentive for further city-level cooperation.
- The project also offers a number of lessons for public authorities in other countries, including the EU. Many lessons can be learned from the centralisation of public procurement at the city level.
- More effective capacity building for local authorities on life-cycle costing methodologies seems crucial to enable the uptake of energy efficient office equipment.



## Sustainability of the project

After the completion of the project, all three cities will continue their efforts for sustainable government procurement and expand their activities. PPCs have also started influencing suppliers and ongoing cooperation will see further improvements in product quality and growing quantities of sustainable products. Other cities in China will very likely follow the good examples set by SuPP-Urb. The project has shown that much progress can be achieved at the local level, even without changes in existing national policy frameworks. The project results will be further disseminated in the form of inputs for national policy dialogues and in other Asian countries through the SWITCH Asia Network Facility.

## Next steps

Despite lessons learned in favour of local action and self-perpetuation of project activities, in the long run, policy uptake will be necessary to realise SPP potentials in China. When looking at SuPP-Urb experiences and results, the following suggestions might help to further improve the institutional setting for SPP in China:

- **Capacity Building:** Foster capacity building on the local, provincial and national levels.
- **Capacity Enhancement:** Enable and support partnerships between PPCs and local scientific institutions.
- **Capacity Pooling:** Strengthen exchange and create virtual platforms for exchange between PPCs.
- **Information Coding:** Further develop environmental and energy labels with regard to their transparency, reliability and applicability.
- **Information Architecture:** Provide a central platform for pooling of verified supplier information and user reports.
- **Information Processing:** Strengthen life-cycle costing as basic method for product evaluation.
- **Stakeholder Involvement:** Set incentives for more interaction between PPCs and stakeholders — in particular suppliers and other local government authorities.
- **Stakeholder Capacities:** Strengthen LCC and LCA-related skills among PPC staff, users and manufacturers.
- **Stakeholder Rewards:** Let users have a share in the monetary savings achieved through improved efficiency achieved through the purchase of energy-efficient equipment based on LCC.

*„The successful examples of the three SuPP-Urb cities show that procurement centres can influence consumer behaviour and encourage sustainable entrepreneurship in their administrative districts and far beyond – both in China and through dialogue with other SWITCH-Asia projects maybe even in other Asian countries.“*

*Mr. Michael Kuhndt, Managing Director UNEP/Wuppertal Collaborating Centre on Sustainable Consumption and Production*



## Project Consortium

### **Wuppertal Institute for Climate, Environment and Energy**

The Wuppertal Institute explores and develops models, strategies and instruments to support sustainable development. It was responsible for the project preparation and overall coordination, setting the framework conditions for SPP and policy recommendations.

*More information at: [www.wupperinst.org](http://www.wupperinst.org)*

### **Environmental Management College of China (EMCC)**

The Environmental Management College of China has experience in education, training and consultancies in urban environmental policies and management. It supported project coordination, played the leading role in SPP tool and methodology development and provided technical support in implementing SPP in the target cities. EMCC also lead the development of recommendations for the national policy dialogue.

*More information at: [www.emcc.cn](http://www.emcc.cn)*

### **UNEP/Wuppertal Institute Collaborating Centre on Sustainable Consumption and Production (CSCP)**

CSCP provides scientific support to activities in the field of sustainable consumption and production. CSCP also hosts the SWITCH-Asia Network Facility. In the SuPP-Urb project, it developed strategies, instruments and leading tools and was responsible for the dissemination of project results through the SWITCH-Asia network.

*More information at: [www.scp-centre.org](http://www.scp-centre.org)*

### **Nankai University**

Nankai University is a key multi-disciplinary and research oriented university directly under the jurisdiction of the Chinese Ministry of Education. Nankai University took part in all action activities, provided technical support and played a leading role in the tool and methodology development.

*More information at: [www.nankai.edu.cn](http://www.nankai.edu.cn) and in English at: <http://www.nankai.edu.cn/english/>*



## Tianjin Public Procurement Centre (TJPPC)

Tianjin City is one of the four municipalities directly reporting to the Central Government of the People's Republic of China. The Tianjin PPC was established in April 1999. It has a total number of 50 staff and carries out five to six procurement orders each day. The centre's main responsibilities included testing and implementation of SPP tools within the municipal government procurement in Tianjin. TJPPC played a leading role in stakeholder communication for the dissemination of project results.

*More information at: [www.tjgpc.gov.cn](http://www.tjgpc.gov.cn)*

## Qinhuangdao Public Procurement Centre (QHDPPC)

Qinhuangdao is a prefecture-level port city in north-eastern Hebei province in Northern China. The QHDPPC is a municipal governmental organisation in charge of implementing public procurement activities. In the project it lead development of action plans, implemented sustainable public procurement in Qinhuangdao, and supported the dissemination of project results.

*More information at: [www.qhdzfcg.gov.cn](http://www.qhdzfcg.gov.cn)*

## Lanzhou Public Procurement Centre (LZPPC)

Lanzhou is the capital and largest city of Gansu Province in Northwest China. The LZPPC is a governmental organisation with many years experience in organising public procurement activities. In the SuPP-Urb project LZPPC lead action plan development, implemented sustainable public procurement in Lanzhou, and supported the dissemination of project results.

*More information at: [www.lzcg.gov.cn](http://www.lzcg.gov.cn)*

## Lanzhou Environmental Protection Bureau (Lanzhou EPB)

As the local administration for environmental protection, the Lanzhou EPB has experience in environmental policies, enforcement and promotion of sustainable development. Lanzhou EPB participated in all project activities, lead SPP tools and methodology development and provided technical support.

*More information at: [www.lzepa.gov.cn](http://www.lzepa.gov.cn)*



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