

KICK OFF MEETING

PROYEK SCALING SCP DI INDONESIA

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giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

On behalf of:



Federal Ministry
for the Environment, Nature Conservation,
Nuclear Safety and Consumer Protection

of the Federal Republic of Germany

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Table of Contents

Table of Contents.....	i
List of Figures	ii
List of Tables	ii
Abbreviations	iii
1. Background.....	1
2. Update and Progress on Technical Assistance	2
2.1 Update on Development and Implementation of Product Standard to GPP and Ecolabel	2
2.2 Update on Indonesia G/SPP Long Term Action Plan	3
2.3 Update on Capacity Work Development	5
2.4 Update on Monitoring and Evaluation	7
2.5 Update on Pilot Project	8
3. Main Issues of Discussion and Result.....	10
3.1 Discussion and result on Batch 1	10
3.2 Discussion and result on Batch 2	11
4. Response Result on the Breakout Session	12
4.1 Group A: Pilot Project	13
4.2 Group B: Long Term Action Plan (LTAP)	13
4.3 Group C: Capacity Work Development	14
5. Recommendation	15
5.1 Actions Agreed	15
5.2 Actions Required	15
5.3 Actions Recommended	16
ANNEXES.....	17
Annex I. Process Slide	17
Annex II. Participants Feedback.....	17
Annex III. List of Attendee (Hybrid).....	22
ANNEX IV. Relevant Regulations/Policies	24

List of Figures

Figure 1. Draft SPP monitoring and evaluation framework concept.....	8
Figure 2. Identified products/services for piloting.....	9
Figure 3. Proposed structure of project steering committee.....	9
Figure 4. Proposed steps of piloting	9
Figure 5. Photo Group during Kick-off Meeting	12
Figure 6. Stakeholder consultation for pilot projects	13
Figure 7. Participants during LTAP discussions were from national governments and relevant stakeholders	14
Figure 8. The Capacity Work Development discussion was facilitated by Mr. Gan Gan Dirgantara	15

List of Tables

Table 1. Project planned activities and expected output.....	3
Table 2. Identified gaps on Pilot Project	8
Table 3. Identified products/services for piloting.....	8

Abbreviations

AC	Air Conditioner
AMEL	Aplikasi Monitoring dan Evaluasi Lokal or Local Monitoring and Evaluation Application
APBD	Anggaran Pendapatan dan Belanja Daerah or Local Budget
APBN	Anggaran Pendapatan Belanja Negara or National Budget
APIP	Aparat Pengawas Intern Pemerintah or Government Internal Supervisory Apparatus
BPK	Badan Pengawas Keuangan or Financial Supervisory Agency
BPKP	Badan Pengawasan Keuangan dan Pembangunan or Financial and Development Supervisory Agency
BSILHK	Badan Standarisasi Instrumen Lingkungan Hidup dan Kehutanan or Agency for Standardization of Environmental and Forestry Instruments
DPR	Dewan Perwakilan Rakyat or House of Representatives
GHG	Greenhouse Gas
GIZ	The Deutsche Gesellschaft für Internationale Zusammenarbeit
GPP	Green Public Procurement
G/SPP	Green/Sustainable Public Procurement
HIPMI	Himpunan Pengusaha Muda Indonesia or Indonesian Young Entrepreneurs Association
ICT	Information, Communication, and Technology
KADIN	Kamar Dagang dan Industri Indonesia or Indonesian Chamber of Commerce and Industry
KBLI	Klasifikasi Baku Lapangan Usaha Indonesia or Indonesian Standard Industrial Classification
KLHK	Kementerian Lingkungan Hidup dan Kehutanan or Ministry of Environment and Forestry
KSP	Kantor Staf Presiden or Office of the Presidential Staff
LCC	Life-Cycle-Costs
LKPP	Lembaga Kebijakan Pengadaan Barang Jasa Pemerintah or Government Goods and Services Procurement Policy Institute
LPSE	Layanan Pengadaan Secara Elektronik or Electronic Procurement Services
LSE	Lembaga Sertifikasi Ekolabel or Ecolabel Certification Agency
LTAP	Long-Term Action Plan
LVE	Lembaga Verifikasi Ekolabel or Ecolabel Verification Agency
NIB	Nomor Induk Berusaha or Nomor Induk Berusaha
NSPK	Norma Standar Prosedur dan Kriteria or Norms of Standard Procedures and Criteria
NU	Nahdlatul Ulama
OPD	Organisasi Pemerintah Daerah or Local Government Organizations
OSS	Online Single Submission
P3DN	Program Peningkatan Produk Dalam Negeri or Domestic Product Improvement Program
PA/KPA	Pengguna Anggaran/Kuasa Pengguna Anggaran or Budget User/Budget User Authority
PCD	Product Criteria Documents
PPBN	Pengembangan Produksi Bersih Nasional or Development of National Net Production
PSIKLH	Pusat Standarisasi Instrument Kualitas Lingkungan Hidup or Center for Standardization of Environmental Quality Instruments

PUSDARLING	Pusat Standarisasi Lingkungan or Center for Environmental Standardization
PUSFASTER	Pusat Fasilitas Penerapan Standar Instrumen or Center for Instrument Standard Implementation Facilitation
SCP	Sustainable Consumption and Production
SIRUP	Sistem Informasi Rencana Umum Pengadaan or Procurement General Plan Information System
SKPD	Satuan Kerja Pemerintah Daerah or Regional Government Work Unit
SMART	Specific, Measurable, Achievable, Relevant and Time bound
SME	Small and Medium Enterprise
SNI	Standar Nasional Indonesia or Indonesian National Standard
SOP	Standard Operating Procedure
TKDN	Tingkat Komponen Dalam Negeri or Domestic Component Level
UKPBJ	Unit Kerja Pengadaan Barang dan Jasa or Goods and Services Procurement Work Unit
UN	United Nations

1. Background

Over the last decades Indonesia's economy has rapidly expanded, driven by domestic consumption and international trade. This growth remains largely founded on unsustainable consumption and production that aggravate exploitation of resources and environmental degradation, notably Indonesia's pristine forests. This requires a shift towards Sustainable Consumption and Production (SCP) that constitute an essential building block of a low-carbon economy.

The Scaling SCP project aims to reduce environmental impacts of consumption by strengthening type-1 Ecolabel and Sustainable Public Procurement (SPP). These instruments contribute to developing 'green' markets for Small and Medium Enterprises (SME's) and the proliferation of climate-friendly and less polluting products. Public authorities will benefit through lower Life-Cycle-Costs (LCC) of purchased products and Indonesia's economy will be enabled to increase its competitiveness and resource efficiency, as well as international trade. Scaling SCP project builds on its predecessor project Advance SCP and is implemented in Indonesia, Malaysia, the Philippines and Thailand.

In Indonesia the focus is on (1) building competent institutions that are better able to implement ambitious, climate- and resource-friendly product criteria for Ecolabel and SPP, and to (2) increase the scope of sustainable procurement by piloting SPP on national and provincial level:

1. The Government of Indonesia through Ministry of Environmental and Forestry (MoEF) has established the new Standardization Agency for Environmental and Forestry Instruments (locally named Badan Standarisasi Instrumen Lingkungan Hidup dan Kehutanan or BSILHK) mandated among others to develop sustainable product criteria and to issue the countries' type-1 Ecolabel, named Ramah Lingkungan or Ramling. The responsible units (Pusat Standardisasi Instrumen Kualitas Lingkungan Hidup or PSIKLH) and Pusat Fasilitas Penerapan Standar Instrumen Lingkungan Hidup dan Kehutanan or PUSFASTER respectively) have been formed and staffed. However, they require capacity development for processes, cooperation network and individual capacities to issue ambitious product criteria for high-potential greenhouse gas (GHG) reducing product groups (e.g., air conditioners (ACs), data centres, information, communication, and technology (ICT) and construction materials).
2. The Government of Indonesia has issued the regulation (1207/MENLHK/SETJEN/KUM.1/12/2021) about Addition of Reference List of Environmentally Friendly Goods and Services for Procurement of Environmentally Friendly Goods and Services which requests Government Goods/Services Procurement Policy Institute (locally named Lembaga Kebijakan Pengadaan Barang Jasa Pemerintah or LKPP) to implement SPP. However, the SPP steering committee, as well as SPP planning, and monitoring mechanisms are not yet formed, and individual capacity building is required. Focus is on easing information-flow and monitoring across institutions.
3. Five pilot provinces have been proposed, i.e., Kepulauan Riau, East Java, South Kalimantan, East Kalimantan, and South Sulawesi and have already included SPP facilitation. However, all largely lack the implementation capacities and tools to effectively implement and monitor SPP at provincial level as a reference to develop blueprints for nationwide SPP roll-out.

At this background, GIZ Indonesia through Scaling SCP project together with BSILHK and PUSFASTER held a hybrid kick-off meeting on 11th April 2023 in Pullman Hotel Jakarta. The meeting welcomed all related stakeholders to provide an overview of Scaling SCP implementation in Indonesia through virtual and physical participation. List of attendees are available in the Annex III.

2. Update and Progress on Technical Assistance

The Scaling SCP project has reached the 2nd year of implementation in Indonesia. One of the objectives of this project is to develop the institution arrangement. Developing steering committee between the different ministries involved is a very important aspect. Give the steering committee a clear direction on developing a long-term action plan that steers sustainable public procurement in the right direction. As for that to happen, standard operation procedures (SoPs) are important indicator within the ministries. This also aims to push SPP to be semi and/or fully mandatory by developing the product criteria against the sustainable product procurement implementation.

Understanding the Monitoring and Evaluation (M&E) system is also very important, such as calculating the impact, cost saving as well as GHG emission reduction. M&E system should also serve to demonstrate the contribution to the local economy especially SMEs in Indonesia.

Developing paradigm change in the economy from linear to circular economy plays an important role for the sustainable production and consumption process.

Indonesia has 3 types of ecolabels:

1. Type 1: based on multi criteria (based on SNI ecolabel criteria) with an evaluation process by a third party (Ecolabel Certification Institution/LSE).
2. Type 2: based on self-declared environmental claims from manufacturers, importers, distributors, retailers, or other parties with a verification process by a third party (Ecolabel Verification Agency/LVE).
3. Based on environmental declarations that provide quantitative data using predefined parameters.

Indonesia has already set up regulations for sustainable development to achieve the UN Sustainable Development Goals 12: Responsible Consumption and Production through the Presidential Regulation Number 59 of 2017 concerning Achieving Sustainable Development Goals (Goal 12: Responsible Consumption and Production; 12.7 Procurement of Environmentally Friendly Goods and Services).

2.1 Update on Development and Implementation of Product Standard to GPP and Ecolabel

Mrs. Jessica Hanafi from Yayasan Pengembangan Produksi Bersih Nasional or PPBN provided a presentation on Development and Implementation of Product Standard to Green Public Procurement (GPP) and Ecolabel.

Table 1. Project planned activities and expected output

Planned Activities	Expected Output
Mapping the needs and prioritising GPP products (goods and services)	Short list of products (10) submitted to Pusfaster for approval with the following steps: <ol style="list-style-type: none"> 1. Mapping the products (goods and services) that the central and regional governments procure directly and indirectly the most, based on price and/or volume. 2. Classification of provider manufacturer (Large corporation, SME) 3. Acceptance of Products 4. Identification of Certification, i.e., label that qualifies products for GPP
Facilitate the formulation and setting the product standards.	Final draft of 10 Product Criteria Documents (PCD), developed together with Pusdarling
Facilitation of standard-setting schemes and conformity assessment.	<ol style="list-style-type: none"> 1. SoP for eco-label request conformity assessment 2. SoP for product criteria setting and updating 3. SoP of environmental label for GPP (may be Type 1/Type 2)
Capacity development of the GPP system	<ol style="list-style-type: none"> 1. Train industry on Guideline for products and criteria (5) 2. Provide recommendation for directory/database owner 3. PCD and green products available in product directory/databases 4. Recommendation on eco-label benchmarking

2.2 Update on Indonesia G/SPP Long Term Action Plan

The concept of the Long-Term Action Plan (LTAP) lies in a 10 years action plan that starts from 2023 until 2032 to understand the gap on achieving the target as being explained by Mr. Hendy Saputra during his presentation.

The Long-Term Action Plan is needed with the following reasons:

1. Public procurement in Indonesia definitely uses the National Budget (locally named Anggaran Pendapatan Belanja Negara or APBN).
2. The main role of KLHK, LKPP and Bappenas who are committed to scaling G/SPP, and The Coordinating Ministry for Economic Affairs, The Coordinating Ministry for Maritime Affairs and Investment, Ministry of Industry, The Ministry of Cooperation and SMEs (KemenKopUMKM), Ministry of Home Affairs who support institutional work in strengthening G/SPP capacity expansion.

The objectives to be achieved during the implementation period are:

1. Guide the implementation of Presidential Regulation 16/2018 which has been amended by Presidential Decree 12/2021 and Minister of Environment and Forestry Decree 5/2019 concerning Procedures for Implementing Green Label for Green Public Procurement in Indonesia.
2. Create awareness and build capacity in G/SPP for all procurement practitioners, budget users, Badan Pengawas Keuangan Republik Indonesia (BPK RI) and other government bodies as well as academic and industrial institutions.

Product scope in the Long-Term Action Plan:

1. Paper, including its sub-products: photocopying and graphic paper; tissue paper (tissue paper, kitchen rolls, handkerchiefs); cardboard box.
2. Furniture, including sub-products: furniture; rattan/bamboo furniture.
3. Electrical and electronic equipment: computers and laptops; printers and multifunction devices; air conditioning (AC); data centres, lights and lumineers; medical waste treatment equipment (autoclave and microwave hybrid).
4. Construction, including sub-products: construction services (building design, construction, and management); cement and aggregates; wood-based construction materials.
5. Other relevant product groups: food and beverages, textiles, single-use products and plastic packaging including stationery file folders made of plastic.

Target needs to be achieved:

1. Follows SMART principles (Specific, Measurable, Achievable, Relevant and Time bound).
2. Targets at the national level are aimed at the central government, ministries and institutions.
3. Targets at the regional level apply to procurement practitioners at the provincial, district and city levels.
4. The targets specified in the percentages are indicative and aim to scale G/SPP in Indonesia for the next 10 years.

Overview of focus area and components of the Long-Term Action Plan G/SPP for Indonesia:

1. Policies and financial support mechanism:
 - a. Integrate G/SPP in important national policies and regulations.
 - b. Harmonize SPP and GPP policies.
2. Institutional development and G/SPP infrastructure:
 - a. Establish an inter-ministerial steering committee structure for the G/SPP.

- b. Develop SOP/NSPK G/SPP.
 - c. Develop and revise G/SPP criteria for priority groups/sub-products and new products.
 - d. Establish a competency centre/help desk G/SPP.
 - e. Develop product specific Life Cycle Cost (LCC) tools for use in tender procedures.
 - f. Align and further develop the existing e-catalogue & e-procurement system for G/SPP
 - g. Develop and implement a G/SPP M&E system in line with the SPP index methodology.
 - h. Develop systems and procedures for conformity assessment and G/SPP accreditation systems.
 - i. Develop a G/SPP guidance document on the due diligence/feasibility test mechanism.
3. Capacity building on G/SPP:
 - a. G/SPP capacity building at the national level for Goods and Services Procurement Working Group (locally named Unit Kerja Pengadaan Barang & Jasa or UKPBJ) & budget users (PA/KPA) in various aspects.
 - b. Conduct market dialogue.
 - c. Implement LCC in tenders.
 - d. Carry out tender evaluation uses a value system.
 - e. Develop & implement country-wide train of trainers (ToT) certification & incentive system to spread G/SPP compliance.
 - f. Develop online and offline courses for all stakeholders.
 - g. Increase capacity to verify performance in the supply chain, including instruments to verify evidence-increased capacity of G/SPP in disaster mitigation, especially environmental related disasters.
 4. Communication and awareness on G/SPP:
 - a. Develop effective communication methods and channels according to each target group.
 - b. Develop an awareness-raising strategy for G/SPP

2.3 Update on Capacity Work Development

Mr. Gan Gan Dirgantara presented to the attendees update on Capacity Work Development and the highlights of his presentation are as follows:

There are 3 levels of capacities that needs to be developed:

1. **Individual Performance:** Refers to human capacity development related to individual abilities (skills and competences) to act efficiently and effectively in a professional function.
2. **Organisational development:** Refers to the organisational performance of relevant institutions, which depends to a large degree on its structures, processes, legal framework, rules, and work culture.
3. **Interorganizational coordination and cooperation:** Related to the ability of relevant institutions to effectively engage with external actors (e.g. other levels of government

tiers, development agencies, and the civil society) and to create an enabling environment which related to the development of policies, laws, rules and norms.

4.

Institutional assessment:

1. PUSFASTER

- a. Pusfaster has a clear mandate to develop ecolabeling and G/SPP system in Indonesia.
- b. Pusfaster is a relatively new institution within MoEF.
- c. Human resources of Pusfaster have experience in handling ecolabeling.
- d. Pusfaster has developed Sibarjasramling.
- e. Pusfaster is supported by Balai in some regions to improve vertical coordination between national and sub-national governments.
- f. Support from international development partners is available.

2. PUSDARLING

- a. Pusdarling has a clear mandate to develop relevant standards related to ecolabel and G/SPP.
- b. Pusdarling has laboratories that can be used to support standard development related to ecolabel and G/SPP.
- c. Number of personnels of Pusdarling related to ecolabel and G/SPP is relatively limited.
- d. Personnels are relatively not familiar with ecolabel and G/SPP issues.
- e. Support from international development partners is available.
- f. Pusdarling can be supported by a pool of experts.

3. LKPP:

- a. LKPP has a clear mandate to develop and implement the G/SPP system in Indonesia.
- b. Personnels of LKPP are knowledgeable and experienced in the procurement system.
- c. Number of personnels related to ecolabel and G/SPP is limited.
- d. Personnels of LKPP need to be equipped with knowledge on ecolabeling and G/SPP.
- e. Personnels of LKPP are not familiar with product selection in ecolabeling and G/SPP.
- f. Procurement system and network under LKPP is available to improve vertical coordination between national level and sub-national level.
- g. LKPP has a strong position to influence the public procurement system entirely.

5. Local government:

- a. Local governments are familiar with the public procurement system managed by LKPP.
- b. There is a dedicated unit within local governments that manage public procurement.
- c. Personnels in local governments are knowledgeable and experienced in the procurement system.
- d. Personnels of local governments need to be equipped with knowledge on ecolabeling and G/SPP.
- e. Personnels of local governments are not familiar with product selection in ecolabeling and G/SPP.

- f. Regulatory framework related to ecolabeling and G/SPP needs to be developed at local levels.
- g. Procurement system and network under LKPP is available to improve vertical coordination between national level and sub-national level.

2.4 Update on Monitoring and Evaluation

Mr. Hendy Saputra provided a presentation on Monitoring and Evaluation and his presentation highlights are as follows:

Stakeholders on procurement monitoring and evaluation:

1. Financial and Development Supervisory Agency (BPKP)
2. Inspectorate General/ministerial internal oversight unit
3. Main Inspectorate/internal supervisory unit non-ministerial institutions
4. Secretariat of State High Institutions/State Institutions
5. Provincial/District/City Inspectorate
6. Internal control units in other government agencies

Those 6 points above are also known as APIP (Aparat Pengawas Intern Pemerintah or government internal monitoring apparatus) that conducts audit, review, monitoring, evaluation, and internal control activities within the government.

Indonesia has a lot of procurement monitoring systems, but all of those systems go to one particular system named AMEL (Aplikasi Monitoring dan Evaluasi Lokal or local monitoring and evaluation application).

AMEL application is developed by the Directorate of Procurement Planning, Monitoring and Evaluation under the Directorate of Monitoring and Evaluation, and Information System Development that is functional unit under Deputy of Strategy and Policy Development, LKPP that can be managed by each LPSE through the website and can provide data which is more accurate and real time, starting from work handover and payment.

Modality on monitoring and evaluation:

1. Having an electronic-based database makes it easier to collect data.
2. Experience in monitoring and evaluation for P3DN (Program Peningkatan Produk Dalam Negeri or Program for Increasing Use of Domestic Products) and TKDN (Tingkat Komponen Dalam Negeri).
3. Monitoring and evaluation instruments are available in the form of a digital dashboard (AMEL) and in the form of periodic Procurement Performance Reports which can be expanded to Monev SPP.

Precondition		Pre-Monev	Monev Implementation	Post-Monev
Formation of an inter-Ministerial Steering Committee		Determination of Monev Indicators	Achievement Assessment	Evaluation of Monev System
Determination of Targets and Scope of Monev		Determination of Monev Executors	Periodic Aggregation of Data	Improvement of the Monev System according to the evaluation results
Scope (Type of product, institution involved)		Determination of the Time for Monev Implementation (Periodization)	Periodic review	
Time-based SPP Output Target (amount and value of procurement, number of products, number of implementing institutions)		Identification and Mapping of Baseline Data according to the indicators to be monitored	Evaluation of Performance Achievements	
Target Outcomes Economic and environmental impact estimation from SPP policies/initiatives (i.e Potential reduction of GHG Emissions)		Determination of Data Collection Methods refers to predetermined indicators		
		Determination of the method of converting outputs into outcomes		
		Updating Policy according to the results of the determination above		

Figure 1. Draft SPP monitoring and evaluation framework concept

2.5 Update on Pilot Project

Mrs. Dhiah Karsiwulan presented on the update of the Pilot Project where she identified the necessary factor to create the steps for the pilot project.

Table 2. Identified gaps on Pilot Project

Component	Description
Regulation & supporting policies	<ul style="list-style-type: none"> Lack of coordination, commitment, and support among line ministries No specific regulation, program, nor <i>incentives</i> to support GPP/SPP that could promote and nurture supply & demand side (market readiness)
Market readiness	<ul style="list-style-type: none"> Lack of commitment from demand side and slow market readiness (supply side) Suppliers of green products/services are concentrated in Java Island (limited in other provinces)
M&E and Reporting	<ul style="list-style-type: none"> Existing M&E and reporting system has not supported or accommodated GPP indicators Multiple standards, database are not streamlined or consolidated Steering committee for G/SPP is not yet established
Human resources	<ul style="list-style-type: none"> Capacity (Awareness, knowledge, skill) on G/SPP among procurement staff/team Technical training for G/SPP is not yet implemented
Procurement	<ul style="list-style-type: none"> Technical guidance for G/SPP is limited/ not available/ not widely disseminated Existing label/standards barely accommodate SMES Guidance for budgeting [i.e. ecolabel product price is higher than non-ecolabel, logistic cost] is not available Adjustment is required to enable existing e-procurement system for G/SPP Complex procurement requires guideline from line ministries (i.e. LCA for construction)

Table 3. Identified products/services for piloting

Category	Simple procurement	More complex procurement
Goods	Paper, file box, other office supplies, meals & beverages, meeting supplies, cartridges [printer], etc.	Lighting, vehicles, air conditioner, uniforms, <u>furnitures</u> , etc.
Construction works	Ceramics, sand, cement, etc.	Buildings, roads, bridge, airport, seaport, etc.
Consulting works	Energy audit, baseline assessment	Development of methodology and guideline, green label for SMEs
Other services	Cleaning service, travel, accommodation, meeting venue, delivery/courier, etc.	Event organization [conferences, coordination meeting], training provider, etc.



Figure 2. Identified products/services for piloting

Proposed structure of project steering committee for pilot project:

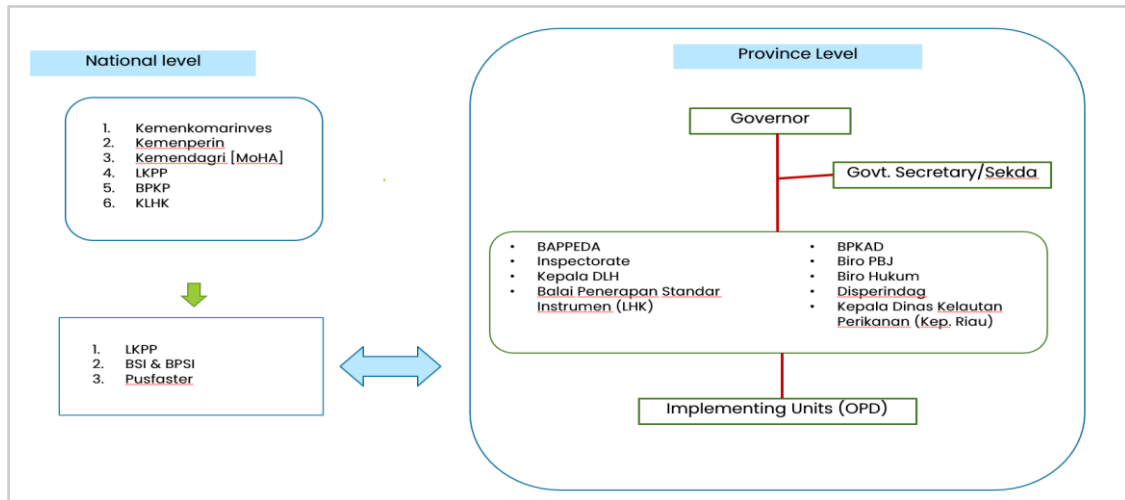


Figure 3. Proposed structure of project steering committee

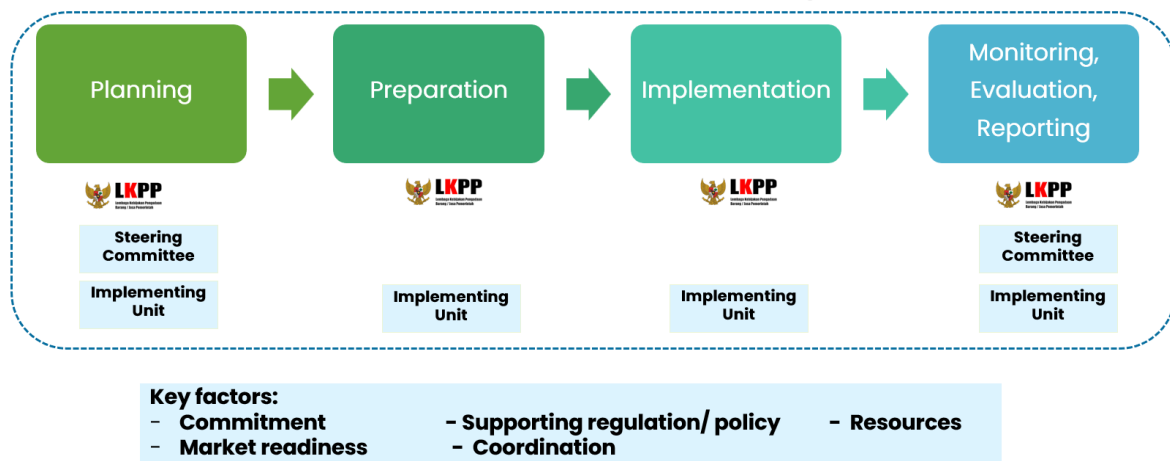


Figure 4. Proposed steps of piloting

3. Main Issues of Discussion and Result

In order to accommodate feedbacks from all attendees both offline and online, discussion was divided into two batches. Feedback along with dedicated responses can be shown below.

3.1 Discussion and result on Batch 1

a. Mr. Samsul from Kalimantan Selatan Province:

- There should be an update on sustainable public procurement regulations due to many changes along the way. The President Decree No. 12 of 2021 on Government Procurement of Goods and Services is the latest regulations on procurement matter replacing the old one President Decree No. 16 of 2018. He said it is heard that there will be a second update even for the latest one.
- The lack of affirmation towards sustainable products. Will it be possible to be added in the regulations for the sustainable to be recognised in form of affirmation.
- Collecting and registration on every progress that we have done towards implementing the sustainable public procurement.

b. Mrs. Anjar from the East Java Province of Environmental Agency:

- Challenges on registration and verification system will be more effective and efficient if it can be done in each city without having the product being verified in the central centre verification since it will be borne more cost for the business.
- ➔ Response from Mrs. Diah PUSFASTER:
 - The ecolabel review and verification are done by submitting documents; thus, the product standard can be tested in the local standardisation centre according to each domicile.

c. Mrs. Neni Naomi from the Ministry of Cooperatives and SMEs:

- How to support business owner to create efficient registration on gaining ecolabel certification through the online single submission (OSS). In this case, the Ministry of Environment and Forestry can consult with The Investment Coordinating Board (Badan Koordinasi Penanaman Modal) on how to integrate the process to make it more efficient.
- ➔ Response from Mr. Hendy Saputra (consultant):
 - Bapak Hendy said that this could be a smart innovation if there are clear criteria for the business owner to declare that they are a genuine green producer. If their registration made through the OSS is verified and approved, they can get the label of Green Producer in their Standard Classification of Indonesian Business Field (Klasifikasi Baku Lapangan Usaha Indonesia-KBLI) and/or Business Identification Number (Nomor Induk Berusaha-NIB) certificate.

d. Mrs. Asti from Centre for Green Industry (Pusat Industri Hijau), Ministry of Industry:

- So far, each ministry has their own sectoral e-catalogue in the National Public Procurement Agency (Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah-LKPP). At the moment, we already have 34 green industries standard and there are 66 companies with green industry certification. We hope in the future there will be synchronisation between ministries to avoid standard duplication or overlap. If this

regulation will be mandatory, the synchronisation can help the industry sector to avoid double registration to get certified again.

➔ Response from Ibu Jessica Hanafi (consultant):

- We agree to your feedback and that is why in our process on developing the Product Criteria Document we tried to map what scheme and/or certification that are already in place so that there is no duplication or overlap. In addition, *it won't be a burden for the industry.*

3.2 Discussion and result on Batch 2

a. Mrs. Reza from PUSFASTER:

- Can the results of this pilot project explain the benefits of the green goods and services for the environment from each local government that makes these purchases? Is it possible that there will be a follow-up study on the benefits felt by local governments who purchase green goods and services? And the results of the follow-up study can be a strengthening point for issuing regulations by the central government. Thus, voices from below can provide input that green goods and services purchased by the local government really provide benefits for the environment.

➔ Response from Mrs. Dhiah Karsiwulan (consultant):

- These benefits can be included in the monitoring and evaluation criteria. So, we will see what the return of experience is like, not only in technical implementation but also in impact. Because there will be a calculation on greenhouse gas (GHG) emissions reduction, approximately what the impact will be (for example: from these green label products, how many units will reduce GHG emissions).

➔ Response from Mrs. Fiferi Murni (Deputy Team Leader of Scaling SCP, GIZ):

- There are plans for further studies, but first we must study the results of PPBN and then we can follow up on these results.

b. Mrs. Reza from PUSFASTER:

- Is it possible for each of these regional governments to formally submit their results to the ministry so that the ministry knows the regions have supported the project. In addition, the ministry also know that there are needs about environmentally friendly products so that needs can be translated and reinforced into regulations at the central level.

➔ Response from Mrs. Dhiah Karsiwulan (consultant):

- If there is such a target, we can include it in the pilot design and action plan as well as in monitoring and evaluation including their indicators so that progress and results can be reported by each regional government.

c. Mr. Kai Hofmann (Project Director of Scaling SCP Thailand, Malaysia, Indonesia, Philippines):

- Mr. Kai responded to the discussion earlier. First, the consultant is developing the design for M&E processes that means how the data is going from provincial level to the national level (LKPP) and how can the existing report scheme serves to provide this information also to LKPP. So, the testing of the M&E system is one of the

objectives of the pilot project. In here, we have not yet calculated the ultimate benefits. The benefits calculation is a long-term process because there is a lot of information that is needed. GIZ will provide a baseline, that means an average product on the market, and we will compare it to the green product that Indonesia will procure and then we will calculate the greenhouse gas emission and other benefits such as cost saving. This can be done either through consultant or through our international expert team.

- Second aspect in regard to developing a product catalogue. Tagging of ecolabel products in the SIRUP in the LKPP's e-procurement system is a very useful tool. Thus, it is important to understand what green products are and which are not green products. And for this, PUSFASTER responsibility will be to develop an ecolabel benchmarking in order to distinguish credible label from non-credible label. And that would be the baseline of SPP in Indonesia.

Based on the whole discussion, there was also a statement agreed by the participants; that if the regulations related to the Procurement of Environmentally Friendly Goods and Services are made mandatory, then the regulations must be made as clear as possible without making it difficult for people to understand and implement them. Recording of this session is available at [Kick-off Meeting Scaling SCP Indonesia - YouTube](#)



Figure 5. Photo Group during Kick-off Meeting

4. Response Result on the Breakout Session

After having a kick-off meeting, the next agenda was followed by stakeholder consultation discussion. Consultation was divided into three-thematic focal area as follows:

- a. Group A: Pilot Project
- b. Group B: Long Term Action Plan (LTAP)
- c. Group C: Capacity Work Development

4.1 Group A: Pilot Project

The discussions were participated by attendees from the provinces of South Sulawesi, Riau Islands, South Kalimantan, East Kalimantan and East Java that reached to the following results:

- a. Legal documentation is required as an appointment to the Province as a pilot project. The form of appointment is in the form of an MoU and/or other formal agreement. For example:
 - i. MoU or designation letter from KLHK.
 - ii. MoU or appointment letter from LKPP.
- b. There is the involvement of the Ministry of Home Affairs, especially the Director General of Regional Finance as the Trustee in the APBD (local budget) Preparation Guidelines in the appointment process.
- c. Determination of ecolabel products can be carried out if the designation or form of formal cooperation has been finalised.
- d. Apart from paper, another product was proposed: AC.
- e. The proposed Organisasi Pemerintah Daerah or OPD (local government organizations) should be involved: Department of Agriculture, Service of Fisheries, etc.
- f. Capacity building is still being carried out both on the technical and budgeting side.
- g. Development of baselines in planning systems, guidelines for goods and services that are environmentally friendly.



Figure 6. Stakeholder consultation for pilot projects

4.2 Group B: Long Term Action Plan (LTAP)

The discussion resulting in the following:

- a. It is hoped that the form of determining the LTAP document will be in the form of a presidential decree and implementation monitoring can be carried out by the KSP (President's Staff Office) so that the implementation can be as effective as P3DN.

- b. It is necessary to design a narrative of the urgency of implementing Sustainable Procurement of Goods and Services so that it can become one of the governments priorities such as P3DN.
- c. Achievement targets that will be set in the LTAP will be discussed in the Steering Committee meeting.
- d. Determination of the achievement targets for the volume/value of environmentally friendly use at Government PBJs is prepared based on the readiness of environmentally friendly products on the market (availability and distribution).
- e. Before starting the LTAP finalisation series, there will be an audience with the Coordinating Ministry for Maritime Affairs and Investment (Marves) and Bappenas. Audiences is expected to be held in the first week of May 2023, between May 1-3, 2023.
- f. The first session of the LTAP finalisation meeting is expected to be held in the 4th week of May 2023.
- g. The target for preparing LTAP up to this year is the availability of LTAP documents. For the target of establishing this document as a presidential regulation (to make it more robust in its implementation), the publication and alignment of programs and activities to government planning documents will be made into programs and activities in the LTAP.



Figure 7. Participants during LTAP discussions were from national governments and relevant stakeholders

4.3 Group C: Capacity Work Development

Capacity building in the implementation of ecolabels and G/SPP requires regulatory instruments that allow ecolabel and G/SPP mainstreaming and be mandatory. The proposed instrument is at the level of a Presidential Decree. As input for the preparation of a Presidential Decree, it is necessary to prepare a technical study which at least contains the following important points:

- a. The mandate to form a Pilot Steering Committee
- b. Schemes of incentives and disincentives that can be given.

- c. The potential for implementing a single eco-label and its coordinator.
- d. Simplification of procedures in various steps in ecolabel and G/SPP.
- e. Integration between Sibarjasramling and the LKPP system.



Figure 8. The Capacity Work Development discussion was facilitated by Mr. Gan Gan Dirgantara

5. Recommendation

This section is categorized into three group, which are actions agreed, actions required and actions recommended by accommodating suggestion and feedback that were received during discussion session, break out session and online feedback form.

5.1 Actions Agreed

Following are actions agreed by all participants:

1. Developing/elaborating a more definitive policy regarding sustainable procurement for goods and services to mitigate ambiguity surrounding technical execution. The policy could be in the form of Presidential Regulation to emphasize G/SPP should be mandatory at any level of governments. Then, implementation monitoring can be carried out by the KSP (President's Staff Office) so that the implementation can be as effective as P3DN.
2. If the regulations pertaining to the Procurement of Environmentally Friendly Goods and Services are mandated, then it is imperative to ensure that the regulations are maximally transparent without unnecessarily impeding comprehension and execution.
3. Engaging multiple ministries in the process of formulating/implementing the regulation of sustainable procurement for goods and services to circumvent redundancy or duplication.

5.2 Actions Required

The actions necessitated by the agreed-upon points from the participants are as follows:

1. The mandate to form a Pilot Steering Committee
2. Designing regional level campaign steps related to SPP by inviting national speakers.

3. Immediately designing and implementing awareness raising activities related to SPP to local government unit (locally named Satuan Kerja Pemerintah Daerah or SKPD) leaders and all government apparatus.
4. MoU or Appointment signing with strong legal force for the Pilot Project to run LTAP such as from the Minister of Environmental and Forestry, Minister of Home Affairs or LKPP-RI.
5. There is the involvement of the Ministry of Home Affairs, especially the Director General of Regional Finance as the Trustee in the APBD (local budget) Preparation Guidelines in the appointment process.
6. Formulating technical guidance, Standard Operation Procedure (SoP) on assessment and so on including implementing capacity building and outreach, and steps on.
7. Integration between Sibarjasramling and the LKPP system.

5.3 Actions Recommended

Recommended actions for the implementation of environmentally friendly goods and services procurement regulations are as followed:

1. Receiving supports from the relevant ministries and operational funds as well as implementation procedures for activities that require facilities and infrastructure.
2. Inviting dedicated agency under Ministry of Finance, for example Fiscal Policy Agency (Badan Kebijakan Fiskal) to discuss about incentives and disincentives in G/SPP implementation.
3. Establishing concrete steps for SPP affirmation and SPP Achievement Recording so far at SKPDs has had a major impact on spending.
4. Determination of the achievement targets for the volume/value of environmentally friendly use at Government PBJs is prepared based on the readiness of environmentally friendly products on the market (availability and distribution).
5. Setting environmentally friendly goods and services target at provincial level so it is not only at national level.
6. Involving multi-stakeholders, for example: KADIN, HIPMI, NU, Legislative Assembly (DPR) in the design and implementation of G/SPP campaigns.
7. The potential for implementing Indonesia a single eco-label and its coordinator.

ANNEXES

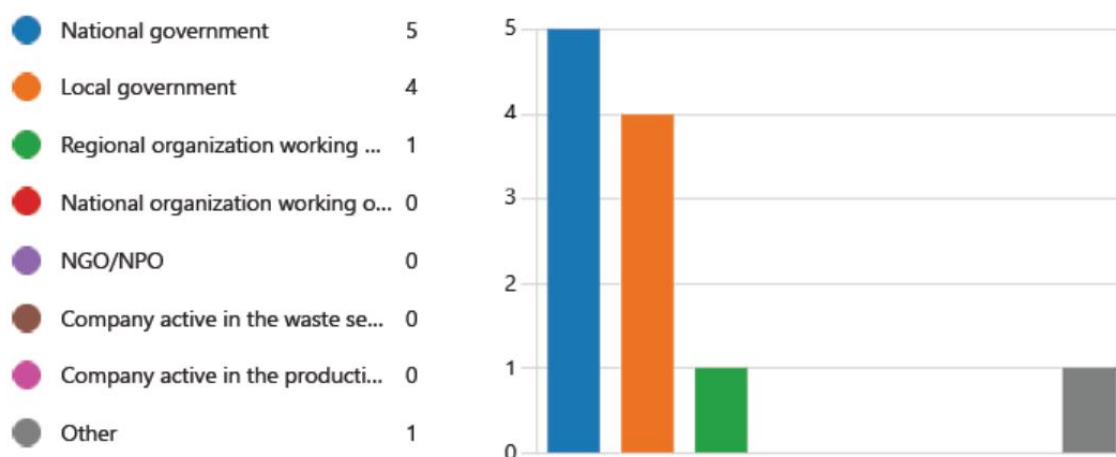
Annex I. Process Slide

The process slide that consists of presentation materials and discussion results is available in the separate document/file due to large number of slides.

Annex II. Participants Feedback

Total respondent: 11

1. What sector does the organization you work for belong to?



2. What topics/materials did you like the most (easy to understand/digest)? Please mention

11
Responses

Latest Responses

"Ekolabel"

"Green product procurement"

"Facilitation for Development and Implementation of Product..."

4 respondents (36%) answered **Green** for this question.

Facilitation for Development Monitoring
product procurement Pilot Project Development and Im
Public Procu
Product Standard **GPP Green**
Criteria Development dan
Evaluation SPP Green product LTAP GP
Pelaksanaan GPP Product Criteria Procurement Imple
overview ir

3. What topics/material did you find it difficult to understand (not easy to digest)? Please mention

9
Responses

Latest Responses

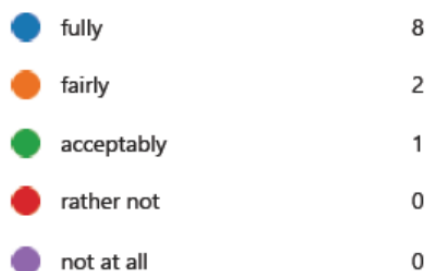
"Tidak ada"

"Capacity Development"

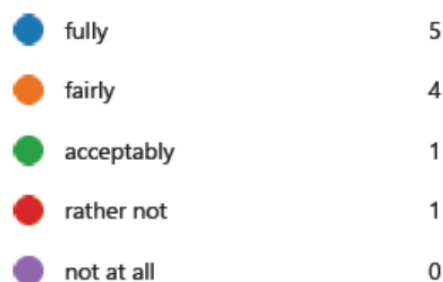
3 respondents (33%) answered **Product** for this question.

consumers to be able Pilot project No topics
Product standart project of GPP **Develop**
friendly products **Product**
planning **Tidak Ada** **GPP** w
Capacity Development Product Standard Development and
G/SPP

4. The workshop presentations were well understandable and comprehensible for me



5. The balance between presentations and discussions was appropriate



6. What were your main goals in attending this meeting?

11
Responses

Latest Responses

"Memahami pengembangan SCP dan ecolabel"

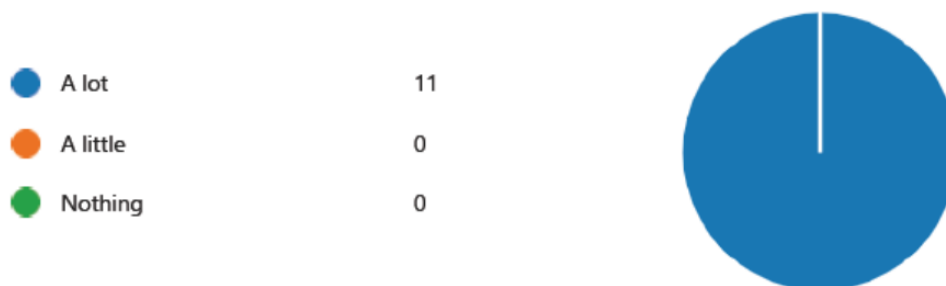
"More clearance about green product procurement"

"build networking to align research activities at BRIN with pr..."

3 respondents (27%) answered **dan** for this question.

SCP Project produk ramah antara sektor r
memahami PBJ dan SPP untuk M&
agar SCP Green GPP and Type Procure
gerakan

7. How much did you learn by attending this meeting?



8. Please share areas to improve and any other thoughts you have about your meeting experience.

11
Responses

Latest Responses

"Kalimantan Selatan"

"More subtle and technical guidance"

"Public Procurement is a important parameters to scalling SC.."

2 respondents (18%) answered **yang** for this question.

immediately I can implement
Perbanyak diskusi
Saya pikir
perlu kan adsnya
LTAP harus dengan Presiden
pilot project
Kalimantan Selatan
RI yang
yang concern
ini yang dan
Public Procure
saatnya Kar
diperluk
terkait SPP

9. **[For Pilot Project in Provinces]** If there is a kickoff meeting in dedicated province, what supports are needed and not needed from the project?

7
Responses

Latest Responses
"Workshop sosialisasi"
"Official letter to governor"

3 respondents (43%) answered **dan** for this question.

Word cloud content:

- serta sop MoU
- Budget Users
- friendly procurement LKPP-RI
- terhadap Regional terkait
- terkait
- dan**
- Pilot Project
- apa
- Ada Sosialisasi
- SPP langkah
- dari
- SKPD M
- pelaksana
- Procurement Officer

10. **[Only for participants from outside Jabodetabek]** How satisfied were you with the accommodation?

Very satisfied	6
Somewhat satisfied	1
Somewhat dissatisfied	0
Neither satisfied nor dissatisfied	0
Very dissatisfied	0



Annex III. List of Attendee (Hybrid)

No	Name	No	Name
1	Junita Pasaribu	31	Bahasa Global Monitoring
2	MH Yudian	32	Dian Cahya Hadi
3	Bahasa Global Host (Hosting Bahasa Global)	33	Azis Rakhman- BPSILHK Makassar
4	Rika Lumban Gaol_GIZ	34	J. Arifah - Dit Pakan
5	Bahasa Global Interpreter Nisa	35	Rini - BPSILHK Makassar
6	Nona Balq	36	Zuhdi 22
7	Weli GIZ	37	P2KSI
8	GIZ Razbi	38	Mochlis
9	The English Language Life	39	Taufiq Sbj
10	Fiesto Rivellino - PUSFASTER	40	Noer Adi Wardoyo
11	Susy Andriani	41	Kodi - BBSPJIS
12	Lilis Kurniati	42	Abdul Kadir W. - BPSILHK Makassar
13	Dwi Wahyuni Kartianingsih	43	Samsul Ramli
14	Puspita Arum Sari	44	Salsabila H - APP Sinarmas
15	GIZ Advance SCP Thailand	45	Nenni Naomi Br. Sitinjak - Kemenkop dan UKM
16	Fiferi Murni	46	Dara Kumala
17	Rika	47	Monika
18	Annisa Paramita	48	Sekretariat APKI
19	Rita-PSIKLH	49	Pratiara
20	Rizka	50	Hafsah Melly Farilah
21	Indiyah Hudiyani - PUSFASTER	51	Direktorat Pengembangan Iklim Usaha dan Kerjasama Internasional LKPP
22	Mbak Liliek	52	Nita
23	Idrus HR	53	Rahmat Fitriadi Herman - Direktorat Pengembangan Iklim Usaha dan Kerjasama Internasional LKPP
24	Pusfaster	54	DLH (Hafsah Melly Farilah)
25	Eva Sinaga	55	AUL-LPSE Prov. Jatim
26	Asti - PIH Kemenperin	56	Syaifuddin
27	Fauziah - PSILHK Banjarbaru	57	Hifana Zein
28	Shelly Novi	58	Maulana - HIMKI
29	Beny Rahmanto - BPSILHK Banjarbaru	59	Nastiti
30	Rina Aprishanty - PUSDARLING	60	Sunarto - HRM

No	Name
61	Hendy Saputra
62	Tsasca Dewi Arsyia Asyiffa
63	Dyah Ayu - Ditsarlog Kemendag
64	Shari - Sarlog Kemendag
65	Susy Nurmayanti
66	Lora Septriani
67	Indrawan Asmindo
68	Nyoman Susila
69	Fiona Rosalyn
70	Caroline Aretha
71	Dhara Adhnandya K
72	Blotan Art Gallery
73	Yohannes - Dit KK
74	Reza
75	Millenia - ASMINDO
76	Boy - BUPD
77	Vionita Lukitari
78	Rosalia Surtiasih
79	DPP HIMKI
80	DLH Prov. Kalsel
81	Eka P. - DPJK PUPR
82	Edithia - BSN/KAN
83	Sheila - Kominfo
84	Yuli - Dit. Sarlog
85	Supardi - BPSILHK Makassar
86	Widyana
87	Niken Pramesti
88	Nur Hayati - BPSILHK Makassar
89	Neza Bahasa Global
90	Dennic Reynaldo - Direktorat Keberlanjutan Konstruksi

No	Name
91	Annisa Anwar
92	Riana - IKPM
93	FM Erny Septiarsi Soekotjo
94	Dhara Adhnandya K
95	Ignatius Untung Sumarsono - Dit IKPM
96	Mille - Sekre - ASMINDO
97	Prayudi - DLH JATIM
98	Scaling SCP
99	Sri Aditya Nur P
100	Program Konservasi
101	Dinas Lingkungan Hidup Sulsel
102	Atikah Sekar Wulandari
103	Agus F - BPSILHK Banjarbaru
104	Pusfaster - BSILHK
105	Pratiara Lamin
106	Gerd Fleischer

ANNEX IV. Relevant Regulations/Policies

The relevant regulations/policies are available in the separate document/file due to large number of pages.

