Circular Procurement: your next step

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Joan Prummel, Rijkswaterstaat, Netherlands
Mervyn Jones, SGR Ltd, UK
<table>
<thead>
<tr>
<th>Agenda</th>
<th>Time</th>
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<tbody>
<tr>
<td><strong>Introduction to Circular Economy &amp; Circular Procurement</strong></td>
<td>15 minutes</td>
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<tr>
<td><strong>Some brief circular examples</strong></td>
<td>15 minutes</td>
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<tr>
<td><strong>Exercise 1 – Identifying options</strong></td>
<td>15 minutes action in small groups/ tables</td>
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<tr>
<td>• Discussion and recording what 1-3 options can be adopted to increase circularity</td>
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<td><strong>Plenary feedback and discussion</strong></td>
<td>10 minutes</td>
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<td><strong>Exercise 2 – Identifying Actions</strong></td>
<td>15 minutes</td>
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<td>• Using the common identified options in Exercise 1 focus on what actions would need to be taken, by whom and when for the circularity outcomes to be achieved.</td>
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<tr>
<td><strong>Implementation</strong></td>
<td>15 minutes</td>
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<td>• Addressing barriers</td>
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Introduction to circular economy and circular procurement

Mervyn Jones
The butterfly diagram

Source: EMF 2013 Towards the circular economy Report 1
Circular procurement opportunities

- Design better products
- Reduce manufacturing wastage
- Help consumers to reduce waste and recycle
- Advice on waste collections
- Fund infrastructure developments
- Encourage re-use
- Develop end market for waste
- Extend product lifetime

(Flowchart showing the circular procurement opportunities process.)
Benefits of a circular EU economy

European Union
€600 billion

Denmark
▲ GDP 0.8–1.4%
7,000-13,000 jobs

United Kingdom
~€30 billion
▲200,000 jobs

France
▲ GDP 0.33-0.66%
100,000 jobs

Spain
▲ GDP 0.33-0.66%
100,000 jobs

Finland
▲ GDP 0.33-0.66%
15,000 jobs

Sweden
▲ 3% trade balance
15,000 jobs

The Netherlands
€7,3 billion
54,000 jobs

Sources: EU, Ellen McArthur Foundation, Club of Rome, TNO, WRAP
Output is the result of input
WHY are we working on this?

• **Ambition** – what difference do we want to make?

HOW will we achieve it?

• **Policy** – what route do we choose to achieve the ambition?
• **Policy goals** – develop strategy and indicators of progress

WHAT we will do

• **Operational** – actions leading to delivery of policy goals in line with strategy
Hierarchy of actions to use assets and resources more efficiently, e.g.:

Specifications for

- sourcing, e.g. minimise additives
- appropriate shelf life
- minimise additives
- lower in-use impacts, e.g. carbon impacts, material content
- Disposal options
Rethinking our approach

- **Circular procurement**
- **Waste contracts**

- **Products**
  - Supplier
    - User
      - Waste manager
        - Resources
          - Waste

- **Product as a service**
  - Buy – sell back
- **Buy - resell**
• Performance as a priority

• Choice - Dutch IMSA has identified 19 different alternatives to linear model

Grouped into 6 themes:
  ◦ short cycle
  ◦ long cycle
  ◦ cascades
  ◦ pure cycles
  ◦ dematerialisation e.g. PSS
  ◦ on demand

• Restorative and regenerative models have major carbon & climate change benefits
Collaboration butterfly

Rethinking the need

Using assets and resources more efficiently

Aligning with the waste hierarchy

INTERNAL

Policy makers

Budget holders

Category managers

Procurers

EXTERNAL

Circular design

Market signals

Supply chain

De-risking investment
Learning By Doing: examples

Joan Prummel
Learning by doing
Company clothing
Company cars
Town hall Brummen
Voorbeeld Circulair Inkopen

Gemeente Brumen wint Award Duurzame Architectuur
Uitreiking tijdens congres Green Buildings Holland 2013 in Amsterdam RAI

De 1e prijs werd uitgereikt aan Gemeentehuis Brumen. Jurylid Hidde van der Kluit: “Dit gebouw dient als grondstoffenbank waarbij alle bouwmaterialen de komende 20 jaar dienst doen, het ontwerp is voor 90% demontabel en de nieuwbouw omarmt een monumentale villa”.

HET KENNISNETWERK VOOR INKOOP EN SUPPLY MANAGEMENT
ICT hardware
Furniture
Stimulate circular propositions from the market by our demand

Test ambition of budget holder

Specify the reuse after our usage

Procure different:
- performance based and functional
- new contracts:
  product service systems - buy sell back - buy resell

A product is not circular until you make it circular

Thomas Rau, architect

Creating circularity- initial lessons
Collaboration projects
Circular procurement depends on the ambition of the organisation, translated into policy through the proactive effort of the clients and budget holders.

Circular procurement needs circular clients!
Exercise 1 Learning By Doing

Group activity
Based on your experience and what you have heard, think of 1-3 specific procurement categories you think are currently circular.

Prioritise them in terms of current circularity (1-10) and potential circularity (1-10)

IN GROUPS -

- RAPID THINKING BASED ON EXISTING KNOWLEDGE AS FAR AS POSSIBLE
- ASK PRESENTERS IF YOU ARE UNSURE
Group feedback
Exercise – 15 minutes

Using the 1-3 options in Exercise 1, focus on what top 1-3 barriers & actions would need to be taken, by whom and when for the circularity outcomes to be achieved.

- What are the main barriers?
- How can they be addressed?
- Who needs to address them?
- How will you measure success?
Implementation:

feedback & questions

Joan Prummel & Mervyn Jones
Corporate objectives

Vertical initiative:
• influence corporate strategy
• add circularity and circular procurement
• align management and HR Department to steer through performance reviews
• Cascade to supply chain through contract through specifications & clauses

Team objectives

Personal initiative:
• link circularity and circular procurement to existing sustainable ambitions
• steer within your circle of influence for direct results

- Be Proactive
- Collaborate:
  - internally
  - externally
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Implementing a top down approach
Your next steps

- Position yourself on a Circular Procurement journey, e.g. Scale from 1 to 5
  1. Initiating
  2. Embedding
  3. Piloting practice
  4. Replicating & scaling up
  5. Leading

- Where are you aiming for?
  - How many steps beyond your current level

- What is the next step? e.g.
  - set policy
  - training
  - initiate pilot
  - challenge need
Interest Groups

- Interest Groups where several participants have a common interest in addressing and building capacity in SPP topic areas...
- ...the first two were launched in 2016:
  - Circular Procurement
  - Market & Supplier Development
Circular procurement links

A non-exhaustive set of related links. Please check the [UNEP SCP Clearinghouse](https://www.unep.org/scp) for further information on Sustainable Procurement

[Ellen MacArthur Foundation](https://www.ellenmacarthurfoundation.org) - online learning providing cutting edge insight and content to support circular economy education

[Green Deal](https://www.greendeal.nl) - The Dutch Green Deal Circular Procurement is an initiative of Kirkman Company, MVO Nederland, Nevi, PIANOo and Circle Economy. The goal is to encourage purchasing goods which are more circular in production.

[IMSA](https://www.imsa.nl) - IMSA Amsterdam was founded in 1996 focussing on innovative sustainability projects in partnership with business, science, government and NGOs all over the world.

[Product Service Systems](https://www.pss.com) – The UNEP guide to the role of PSS in a sustainable society

[Rijkswaterstaat](https://www.rijkswaterstaat.nl) - Rijkswaterstaat is responsible for the design, construction, management and maintenance of the main infrastructure facilities in the Netherlands.

[Sustainable Procurement Resource Centre](https://wwwICLEI.org) - ICLEI is an Association of over 1,200 local governments that represents the interests of local authorities within the United Nations and at international policy forums.


[UNEP 10 Year Framework Programme](https://www.10yfp.org) - The 10-year framework of programmes on sustainable consumption and production patterns (10YFP) is a global framework of action to enhance international cooperation to accelerate the shift towards sustainable consumption and production (SCP) in both developed and developing countries.

[US EPA](https://www.epa.gov) – United States Environmental Protection Agency. Sponsored the UNEP 10YFP SPP Working Group 3a that produced the PSS report.

[WRAP](https://www.wrap.org.uk) – UK resource body with information of sustainable procurement and circular economy in practice
Sapere non basta; bisogna applicarsi. Volere non basta; bisogna fare.
Thank you

Joan Prummel
Netherlands Enterprise Agency (RVO.nl)
joan.prummel@rvo.nl

Mervyn Jones
Sustainable Global Resources, UK
mervyn@sustainableglobalresources.co.uk