

The Sustainable Public Procurement programme
of the 10-Year Framework of programmes on
Sustainable Consumption and Production



“Sustainable Public Procurement and the Circular Economy”

Webinar



3 February 2016



Webinar Agenda

Time	Topic	Panelist
15 pm	Welcome and Introduction The 10YFP SPP programme	<ul style="list-style-type: none"> Ms. Irina Uzun, UNEP, SPP programme Mr. Farid Yaker, UNEP, 10YFP SPP Programme Officer
15:10 pm	European Union Circular Economy Package	<ul style="list-style-type: none"> Mr. Robert Kaukewitsch, European Commission, DG Environment
15:15 pm	Working group 3a of the 10YFP SPP programme	<ul style="list-style-type: none"> Mr. Mervyn Jones, Sustainable Global Resources ltd Mr. Cuno van Geet, RWS
15:30 pm	REBUS SPP Regions GPP2020	<ul style="list-style-type: none"> Ms. Mike Robey, Wrap Mr. Simon Clement, ICLEI Ms. Antoinet Smits, RVO
16:00 pm	Discussions with the audience	
16:20 pm	Conclusions & Pointers for the conference in April 2016, Cuno van Geet, RWS, Farid Yaker, UNEP	





The 10YFP SPP programme

farid.yaker@unep.org



10YFP: Introduction

The 10YFP was adopted at the Rio+20 Conference. It is a global framework of action to enhance international cooperation to accelerate the shift towards SCP patterns in both developed and developing countries.

It supports capacity building and provides technical and financial assistance to developing countries for this shift.

The 6 programmes of the 10YFP are:



Consumer information



Sustainable buildings and construction



Sustainable lifestyles and education



Sustainable tourism, including ecotourism



Sustainable public procurement



Sustainable food systems

More information can be found at

<http://www.unep.org/10yfp>



Official Launch of the 10YFP SPP Programme

The Sustainable Public Procurement Initiative (SPPI) officially became the 10YFP SPP Programme on April 1st at an event in New York, at the margins of the 10th Session of the Open Working Groups on Sustainable Development Goals

As such, the 10YFP SPP Programme officially adopted the Goals, Work Plan, Structure, MAC, and Modus Operandi of the SPPI





10YFP SPP Programme

Objectives

- **Build the case for SPP:** improve the knowledge on SPP and its **effectiveness** as a tool to promote greener economies and sustainable development;
- Support **the implementation of SPP on the ground** through increased collaboration and improved coordination between SPP stakeholders.

10YFP SPP: Governance of the programme

MAC Members

LEAD



CO-LEADS



Mauritius Procurement Policy Office
 Korean Environmental Industry & Technology Institute (co-lead)
 Environmental Development Center of Ministry of Environmental Protection (EDC)
 Eco Mark Office of Japan Environment Association
 Indian Railways
 Swiss Federal Office for the Environment (FOEN)
 Environmental Protection Agency (Sweden)
 SKL Kommentus
 Ministry of Infrastructure and the Environment (The Netherlands)
 United Nations Environment Programme (lead)
 ICLEI – Local Governments for Sustainability (co-lead)
 Forest Stewardship Council (FSC)
 International Green Purchasing Network (IGPN)
 Secretariat of the Convention on Biological Diversity
 ITC-ILO (Int. Training Center of the ILO)
 CEGESTI
 NCPC Colombia (National Center for Cleaner Production and Environmental Technologies/CNPMLTA)
 United States Environmental Protection Agency
 Sustainable Purchasing Leadership Council (SPLC)
 Institut des Finances Basil Fuleihan-Lebanon
 UNEP
 KEITI

Mauritius
 Korea
 China

Japan
 India
 Switzerland
 Sweden
 Sweden
 Netherlands
 International
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Colombia

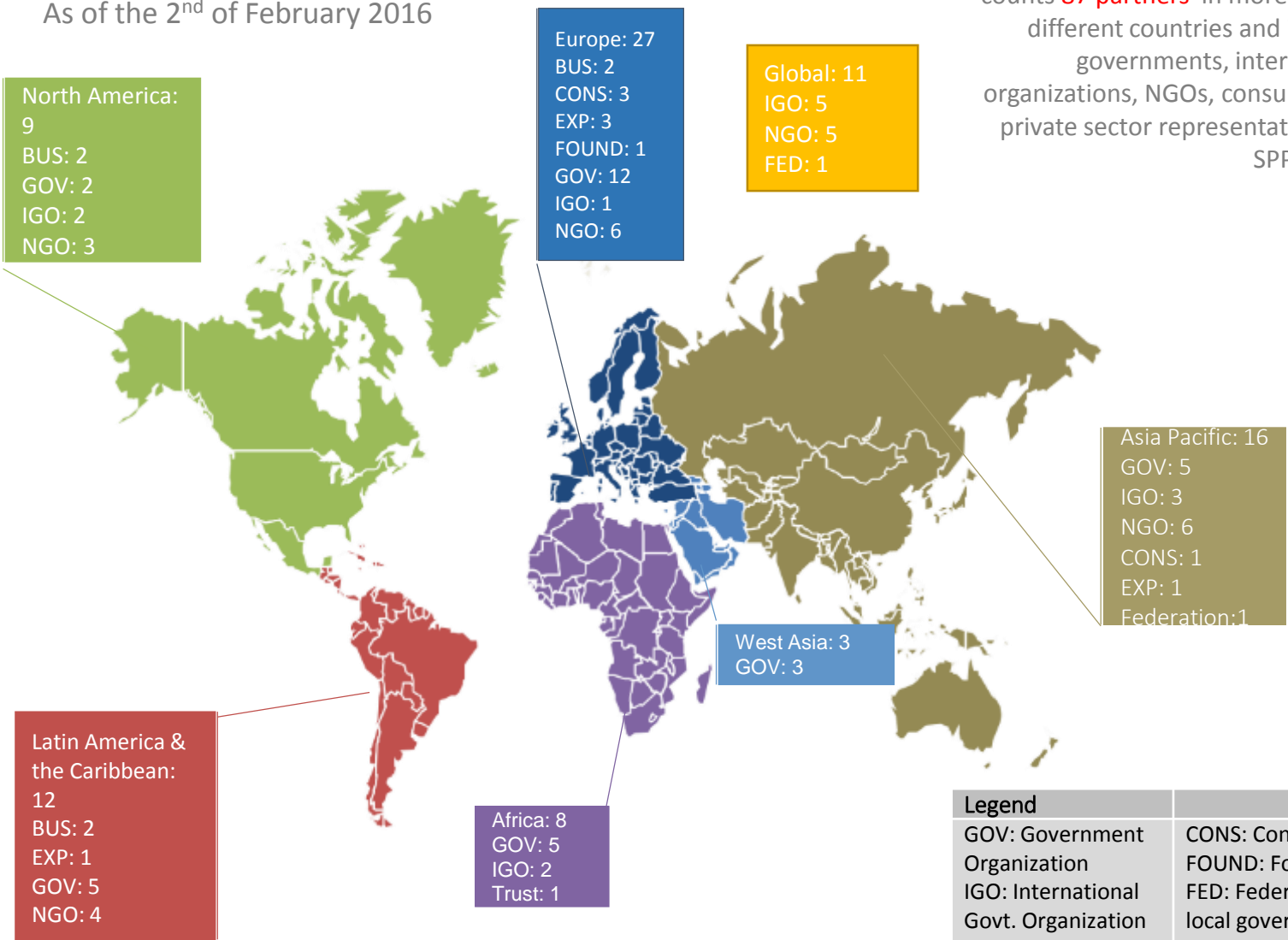
United States
 International
 Lebanon
 International
 Korea



10YFP SPP: Regional distribution of the programme's partners

SPP Programme Partners around the Globe

As of the 2nd of February 2016

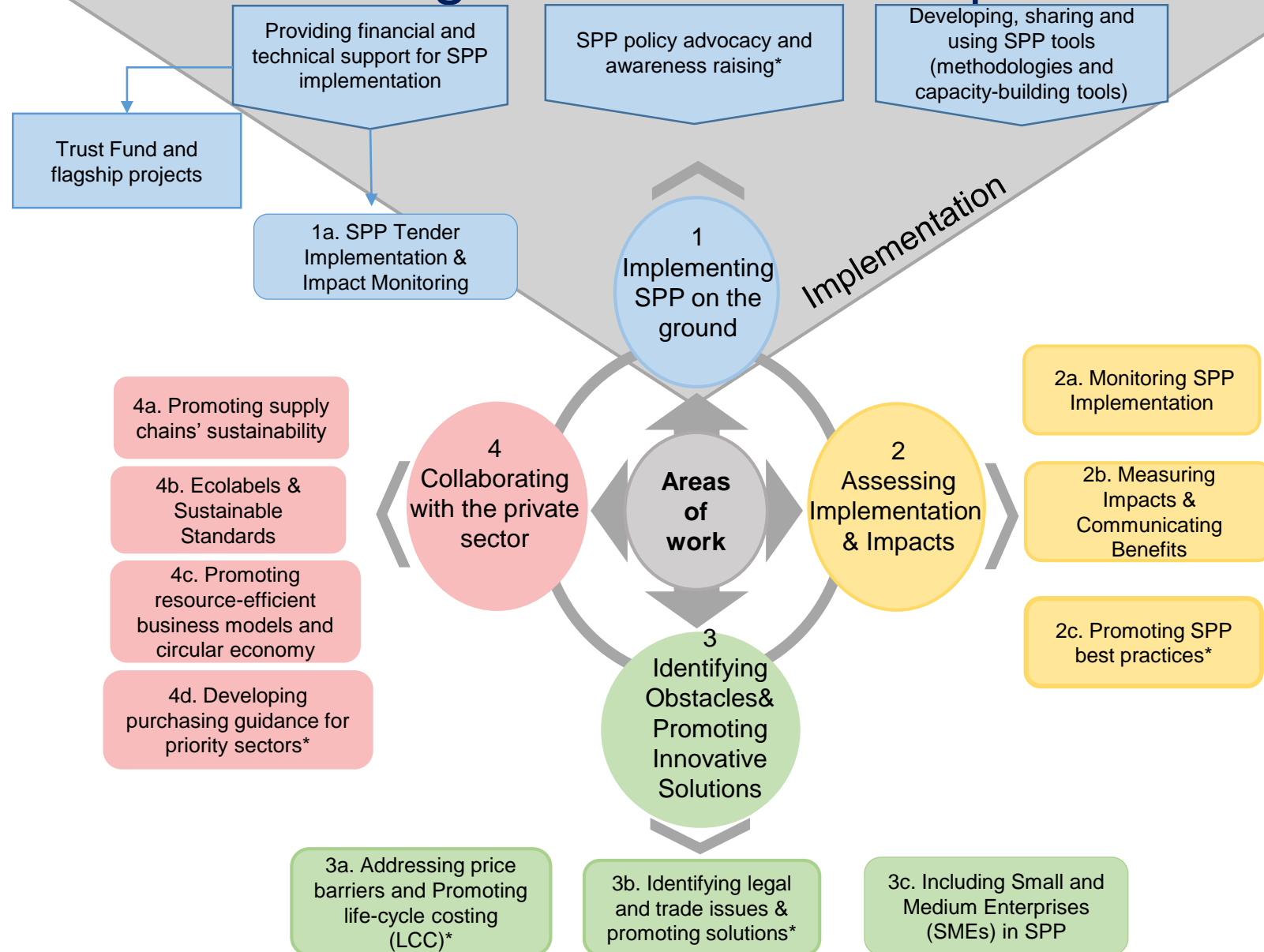


The network of the SPP programme counts **87 partners** in more than 40 different countries and includes governments, international organizations, NGOs, consultancies, private sector representatives and SPP expert.

Legend	
GOV: Government Organization	CONS: Consultancy
IGO: International Govt. Organization	FOUND: Foundation
NGO: Non-Governmental Organization	FED: Federation of local governments
	BUS: Private Sector Business
	EXP: SPP Expert

[Join the programme here](#)

10YFP SPP Programme biennial work plan 2016-2017



Knowledge management, outreach and communication:
Global Review on SPP, Global SCP Clearinghouse, websites and social networks management, webinars

SPP programme outputs



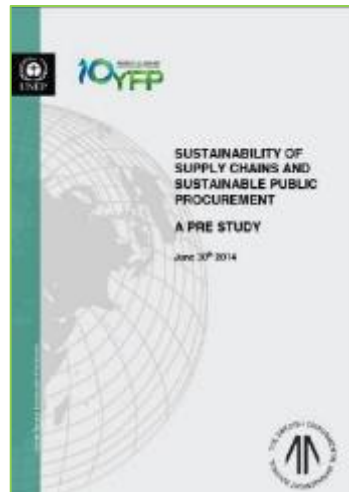
Using PSS to enhance SPP –
technical report, 2015

http://www.unep.org/10yfp/Portals/50150/10YFP%20SPP/3A_Technical%20report.pdf



SPP Principles, 2015

<http://www.unep.org/10yfp/Portals/50150/10YFP%20SPP%20Programme%20Principles%20of%20Sustainable%20Public%20Procurement.pdf.pdf>



Pre-study on the sustainability of
supply chains, 2014

http://www.scpclearinghouse.org/upload/publication_and_tool/file/322.pdf



SPP: A Global review 2013

[http://www.unep.org/resourceefficiency/Portals/24147/SPP_Full_Report_Dec2013_v2%20NEW%20\(2\).pdf](http://www.unep.org/resourceefficiency/Portals/24147/SPP_Full_Report_Dec2013_v2%20NEW%20(2).pdf)

- Measuring & communicating benefits of SPP – December 2015
- Monitoring SPP Implementation - Upcoming



Communication and outreach activities

10YFP SPP newsletter

- 3rd issue – released in September 2015 and available at http://newsletter.sysforu.co.kr/2015/eco_spp/spp_vol03.html

Updates on the SCP Clearinghouse

- Online resource database
- Recent publications
- New partners
- News



www.scpclearinghouse.org

One click away from Sustainable Consumption and Production

The first online platform dedicated to advancing SCP worldwide through **information**, **knowledge sharing** and **cooperation**.



SCP CLEARINGHOUSE
Sustainable Consumption and Production



www.scpclearinghouse.org

One click away from Sustainable Consumption and Production

The first online platform dedicated to advancing SCP worldwide through **information**,
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SCP CLEARINGHOUSE

Sustainable Consumption and Production

An evolving platform that hosts different communities and with users at its centre



Platform for the 10YFP

Serve as the information hub for the 10-Year Framework of Programmes (10YFP)

Promote SCP

Inspire policy-makers, the business sector and civil society around the globe to share experience and take action

Collect and disseminate information, knowledge, tools and best practices, on SCP through user-friendly worldwide databases and communities

Networking and partnerships

Build cooperation at all levels through a cooperation market place, directory of experts and working groups

Track news and events

Learn about and share latest news and events on SCP initiatives worldwide





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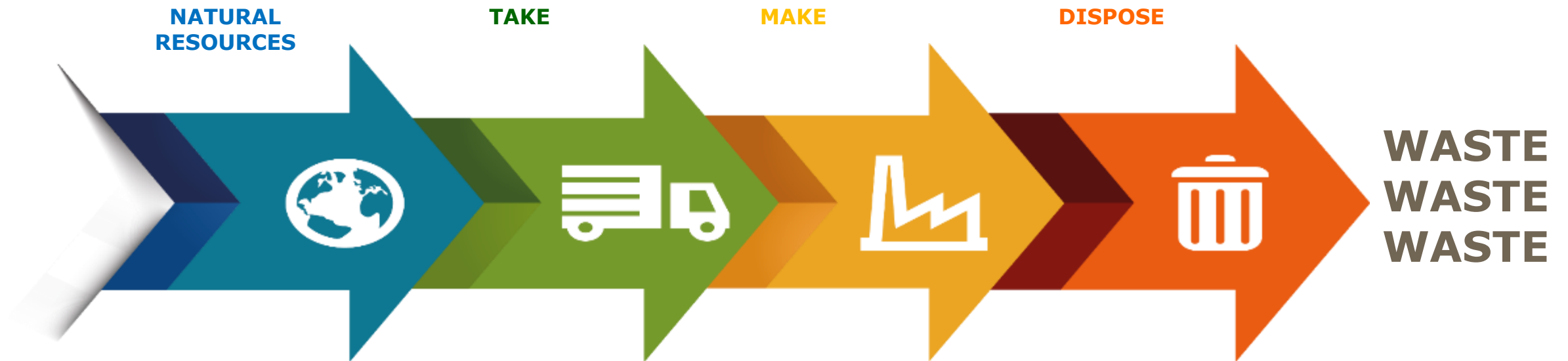




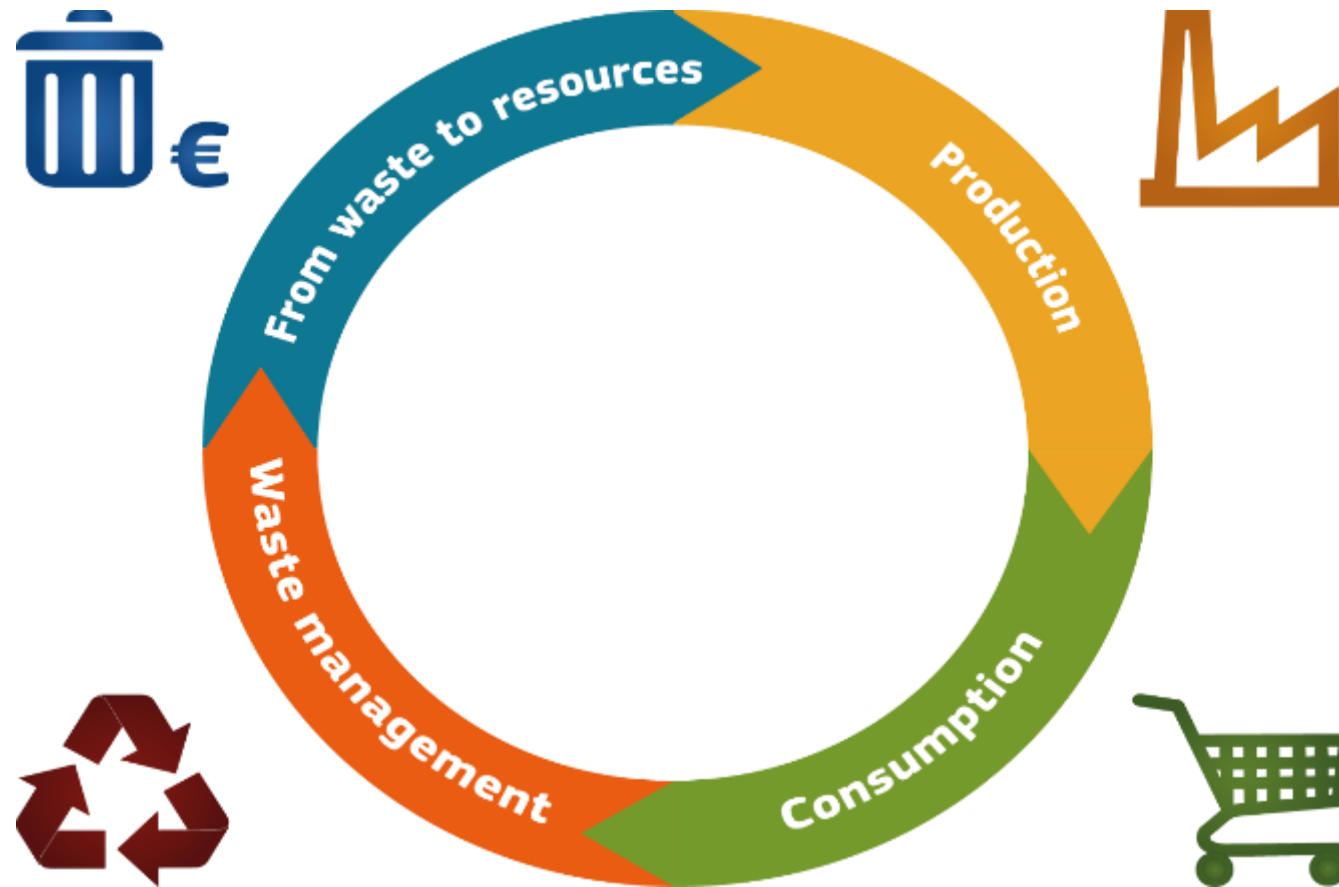
Circular Economy

Closing the loop –
An EU Action Plan for the
Circular Economy

From a Linear Economy...



...to a Circular Economy



What are the benefits of a Circular Economy?

- the value of products, materials and resources is maintained in the economy for as long as possible
- waste generation is minimised
- boost to the economy and competitiveness by creating new business opportunities
- brings economic, social and environmental gains

Circular Economy Package

Adopted by the Commission 2 December 2015



Action Plan
Communication



List of Follow-up
Initiatives (Annex)



4 Legislative
proposals on waste

Common EU target for recycling 65% of municipal waste by 2030



New binding target to reduce landfill to a maximum of 10% of total waste by 2030



Common EU target for recycling 75% of packaging waste by 2030



Prevention

- focus on food waste, textile, Waste of electrical and electronic equipment (WEEE), furniture
- target to be set at national level on disposed/incinerated waste (per capita)
- extended Producer Responsibility – links between fees paid and recyclability/reparability

Production

Objectives

- provide incentives to boost circular product design
- innovative and efficient production processes

Key actions

- reparability, durability, and recyclability in eco-design (e.g. TV screens)
- best practices for waste management and resource efficiency in industrial sectors
- industrial symbiosis

Consumption

Objectives

- repair and reuse of products to avoid waste generation
- provide consumers with reliable information on environmental impact of products

Key actions

- encourage reuse activities (e.g. waste proposal)
- ecodesign: availability of spare parts
- guarantees and action on false green claims
- Circular Economy criteria in Green Public Procurement
- independent testing programme to assess possible planned obsolescence
- better labelling: EU Eco-label, Environmental Footprint

Food waste

Objectives

- reach Sustainable Development Goal (SDG) to halve food waste by 2030 – today around 100 million tonnes of food are wasted every year in the EU

Key actions

- develop an EU methodology to measure food waste
- create a platform for the SDG on food waste and share best practices and results achieved
- clarify EU legislation on waste, food and feed, and encourage food donation
- improve the use and understanding of date marking along the food chain (e.g. 'best before' label)

Green Public Procurement

- Key role for circular economy acknowledged
- special emphasis on circular economy aspects in criteria-setting
- support a greater uptake of GPP criteria by public authorities, e.g. by training
- Commission to lead by example - in its own procurement, and by reinforcing the use of GPP in EU funding

Next Steps

- more than 50 key actions included in the EU Action Plan for the Circular Economy
→ progress report 5 years after adoption
- European Parliament and Council to decide on the 4 legislative proposals on waste

Circular Economy: looking to the future

- growth & job creation/
up to +7% GDP
 - up to 600 billion in savings/8% of annual turnover for business in the EU
 - estimated 170 000 direct jobs in waste management sectors created by 2035
- boosting competitiveness and ensuring security of supply
- building economic and environmental resilience
- encouraging innovation
- reducing total annual Greenhouse Gas Emissions by 2-4%



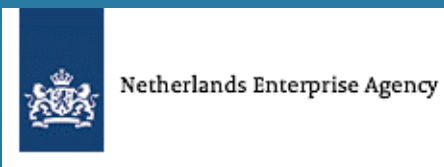
Resource
Efficiency

Sustainable
Public
Procurement

Integrating Product Service Systems into Sustainable Public Procurement

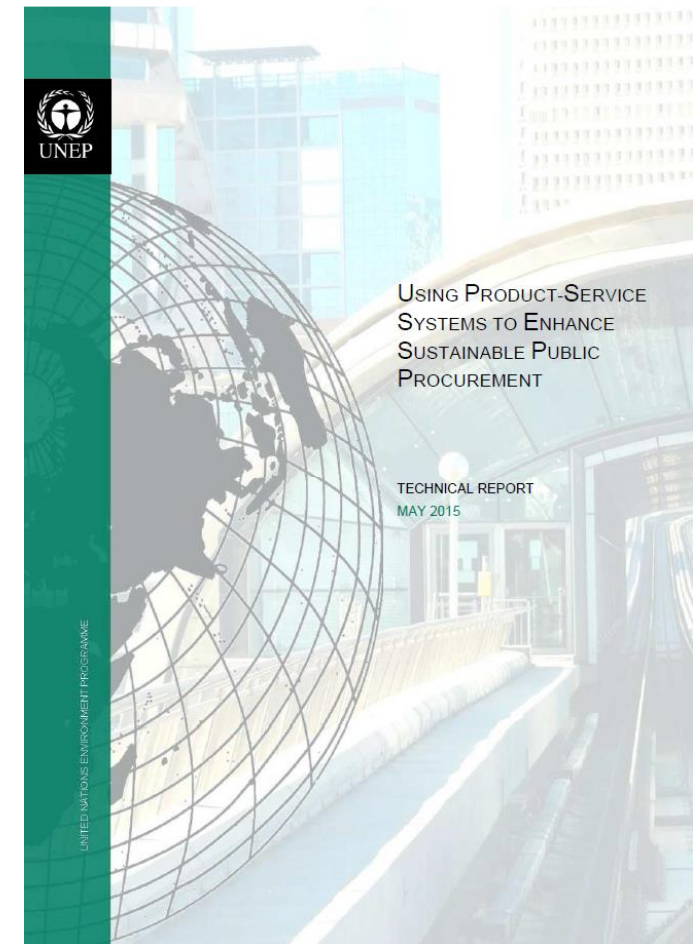
Webinar
3 February 2016

Mervyn Jones, Sustainable Global Resources
Cuno van Geet, Rijkswaterstaat Nederland



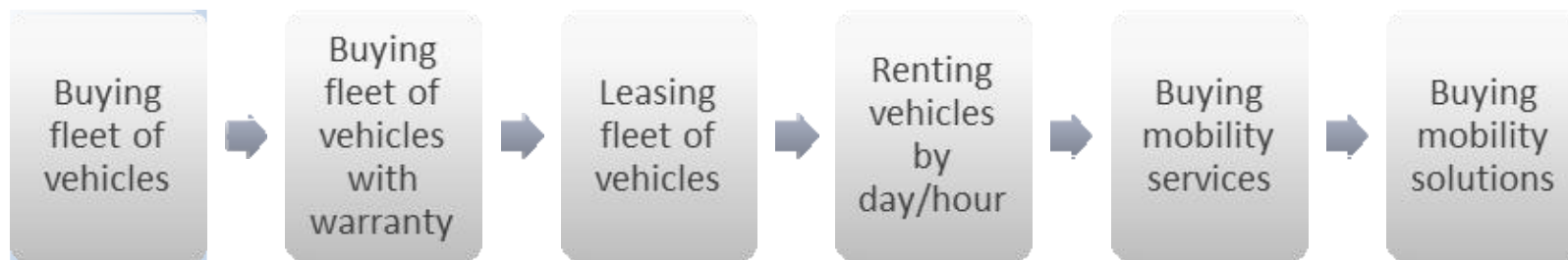
Product-service systems

The SPP programme of the 10 Year Framework of Programmes on Sustainable Consumption and Production patterns (10YFP) has produced a technical report on product-service systems and their insertion in sustainable public procurement: *Using Product-Service Systems to Enhance Public Procurement*. The 2015 report consolidates the information currently available on product-service systems (PSS) and to offer clarity on the drivers, advantages and challenges associated with their provision by the private sector and their use by the public sector.



What are product-service systems (PSS)?

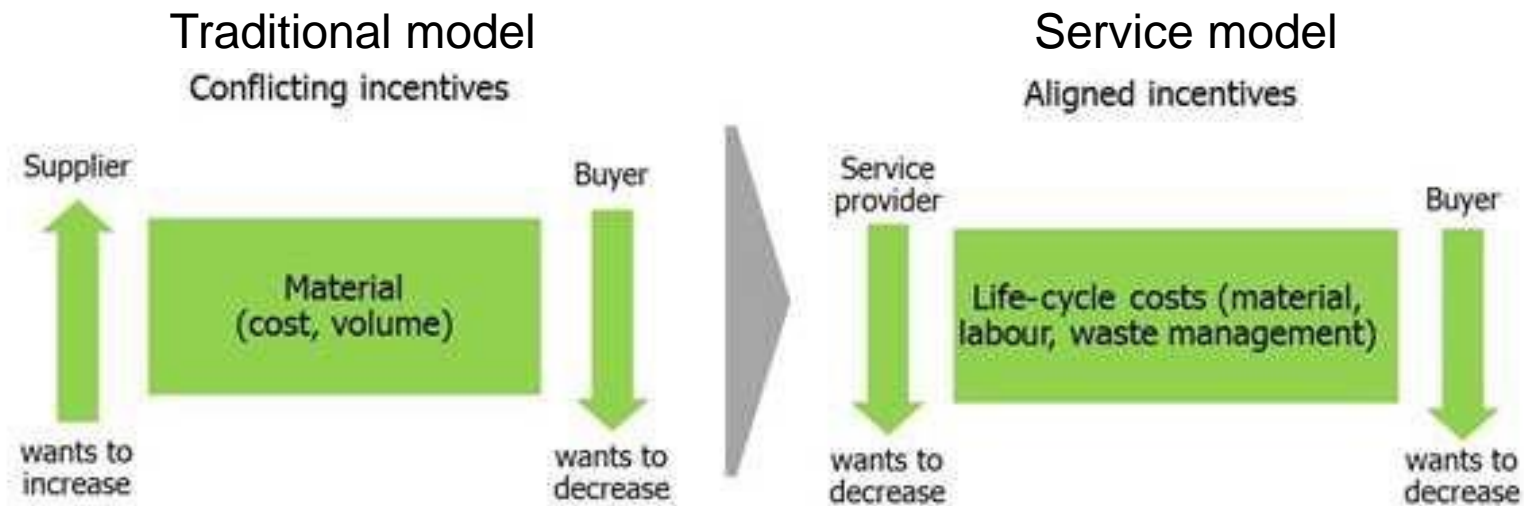
- Service-oriented business models that replace selling products with selling services
- Focus on need
- Shift the perspective from product ownership towards product utility
- Consider product's impacts throughout its life-cycle
- Enables cost reductions and efficiency gains, e.g. energy and resource efficiency, and further environmental objectives



After Turley, 2013

How do product-service systems work?

- Realign the relationship between suppliers and customers
- Take a product's life-cycle costs into account
- Supplier often retains ownership of more of the product life-cycle
- Aligns buyer and Supplier incentives to save costs



Drivers for the adoption of PSS

PSS models can:

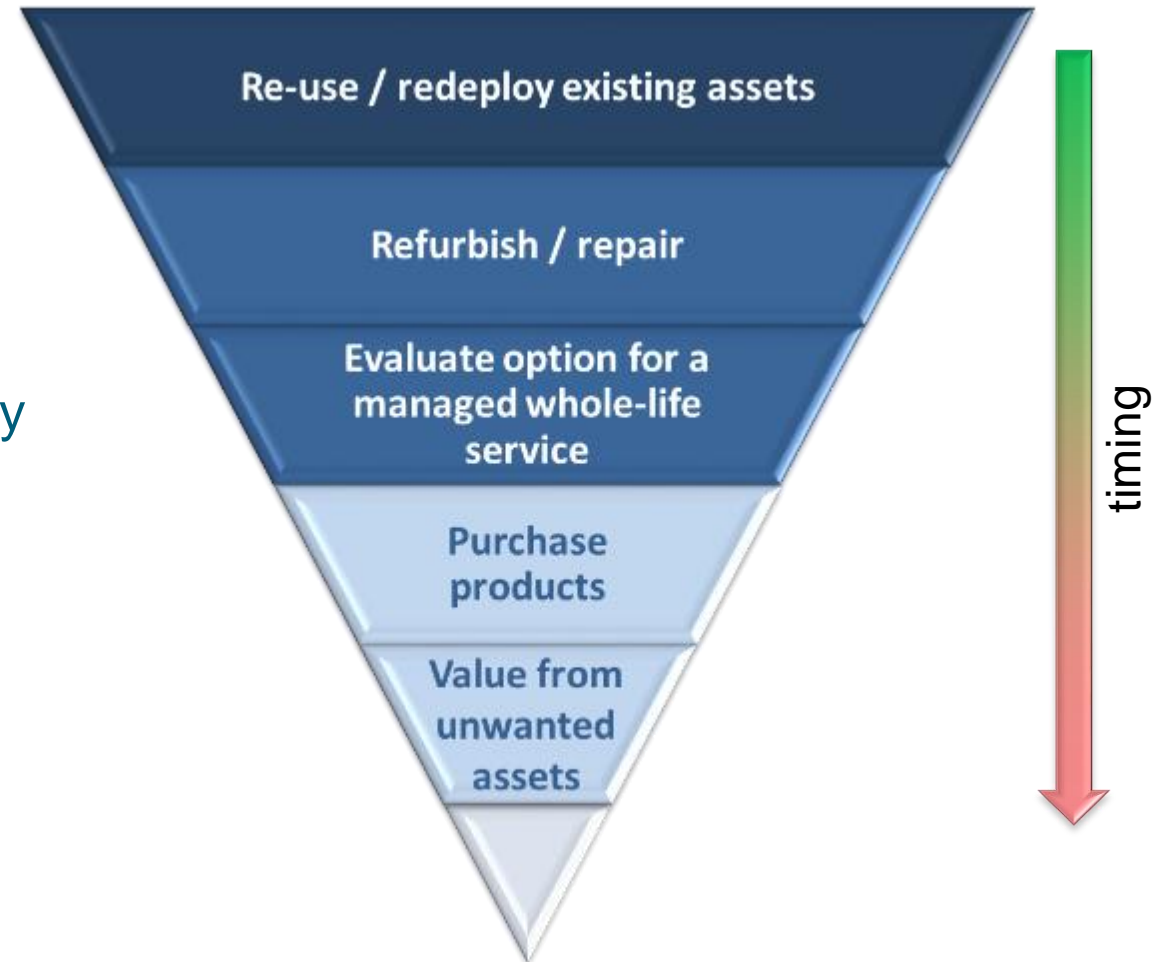
- Include an incentive for sustainability
- Include requirements for end-of-life management
- Use environmentally preferable products
- Provide information on potential environmental impacts
- Reduce the procurement costs, the number of contracts, and the size of staff required for contract administration
- Reduce the market risks of innovation investments
- Help meet environmental, social and financial objectives
- Provide a stable market for maturation of sustainable PSS

Hierarchy of actions for procurement

Rethinking the need

Using assets and
resources more efficiently

Aligning with the waste
hierarchy



Considerations when procuring PSS

- Assessing the sustainability potential of PSS options can be challenging
- Market engagement required to explore options
- ‘Challenge function’ – encouraging & identifying options that deliver quantifiable sustainability benefits beyond traditional procurement
- May shift a government service to the private sector
- Budgeting may not align with type of PSS financing required
- Risk sharing - risks may (partly) be transferred to the service provider
- Impact of legal requirements on PSS
- Ensuring that SMEs are not potentially disadvantaged

Car sharing public fleet in Bremen (Germany)

THE KEY PRINCIPLES

Circular procurement vs procure-consume-dispose	Considering alternatives to the traditional extract, produce, consumer, dispose business models
Innovation	Restructuring procurement using servicisation to foster public private partnerships
Footprinting	Using CO ₂ limits from regional regulation as performance based specifications in tenders



THE KEY BENEFITS

Cost reduction	<ul style="list-style-type: none"> • Saved >2,000 cars • Associated fuel-savings
Carbon reduction	<ul style="list-style-type: none"> • Saved 2.3M kgCO₂ • Average fleet limit of 130 g CO₂/km
Employee	<ul style="list-style-type: none"> • Car sharing • >10,000 members in Bremen • Customer information on fuel-saving programmes

Office furniture and carpeting (the Netherlands)

THE KEY PRINCIPLES

Circular procurement vs procure-consume-dispose	Considering alternatives to the traditional extract, produce, consumer, dispose business models
Innovation	Restructuring procurement using servicisation to foster public private partnerships
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THE KEY BENEFITS

Cost	<ul style="list-style-type: none"> • Can cost slightly more than traditional due mainly to current small scale
Carbon reduction	<ul style="list-style-type: none"> • Reduced carbon footprint • Reduced materials footprint • Reduced overall embodied energy as a result
Employee	<ul style="list-style-type: none"> • Reuse of existing products • Flexibility of user wishes • Flexibility of use period

Temporary Town Hall, Brummen (the Netherlands)

THE KEY PRINCIPLES

Circular procurement vs procure-consume-dispose	Considering alternatives to the traditional extract, produce, consumer, dispose business models
Design out waste	95% of components and materials can be recovered at disassembly
Optimising lifetime	Opting for temporary 20 year life building
Whole life costing	Using WLC approach to determine best outcome
Innovation	Moving away from traditional owner-occupier model
Closed Loop	Bringing components and materials back into construction at disassembly
Footprinting	Using CO ₂ limits from regional regulation as performance based specifications in tenders



THE KEY BENEFITS

Cost reduction	<ul style="list-style-type: none"> Estimated total cost between €1– 5M, 30% less than other comparable projects
Closed Loop	<ul style="list-style-type: none"> Reduced the demand for virgin raw materials. 95% of the design can be disassembled and reused
Business	<ul style="list-style-type: none"> Producers retain ownership of product and derive profits Incentive to make both durable and efficient

Advanced Patient Care, Georgia Regents MC (U.S.A.)

THE KEY PRINCIPLES

Circular procurement vs procure-consume-dispose	Considering alternatives to the traditional extract, produce, consumer, dispose business models
Optimisation	Main suppliers have flexibility to procure service delivery from other suppliers
Resilience	Pre-determined monthly operational costs over a 15-year term
Whole life costing	Enables flexibility in maintaining full provision of healthcare
Innovation	Using product-service systems to deliver best solution
Closed Loop	System efficiency and circularity can be achieved by designing products with standardized parts and components to allow for greater modularity and more efficient repair, refurbishment and reuse.

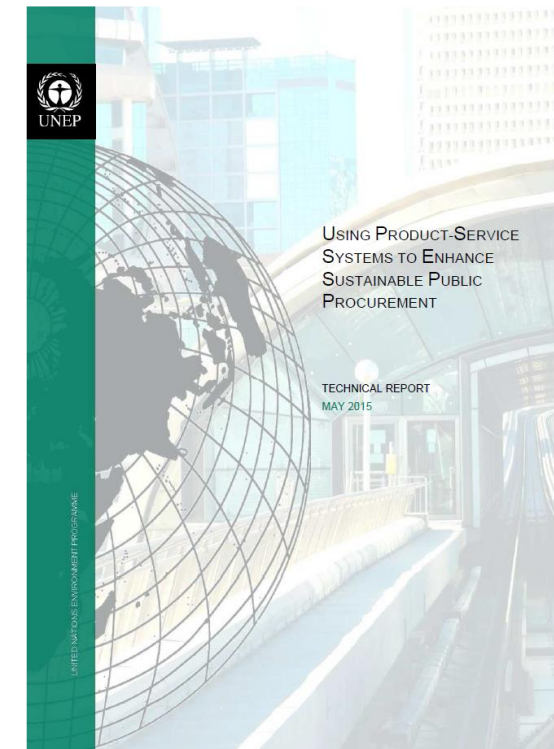


THE KEY BENEFITS

Cost	<ul style="list-style-type: none"> • \$300m over a 15-year term. • Estimated \$10m saving over the life of the agreement
Carbon reduction	<ul style="list-style-type: none"> • Reduced carbon footprint • Reduced materials footprint • Allows reconfiguration to fit customer requirements
Improved quality of care	<ul style="list-style-type: none"> • Reuse of existing products • Flexibility of user wishes • Flexibility of use period

Product Service Systems – benefits & conclusions

- Public bodies can use PSS to realise sustainability benefits
- Product-service systems are an example of innovative business approaches that can enhance SPP
- PSS can only truly contribute to sustainable development when they are consciously designed over the whole life-cycle.
- Public procurement can nurture and harness the potential of PSS to drive environmental sustainability and encourage more sustainable business models in support of wider policy goals



Lessons learned

- Product-service systems are not by definition sustainable
- Different terminology is used for product-service systems - greater clarity required to:
 - generate a common understanding of PSS; and
 - incorporate it into SPP
- Research on assessment framework required to determine impacts of different PSS options
- Inserting LCC can facilitate a shift towards more sustainable PSS
- More dialogue with the market is required
- More guidance & training required for procurers on how to formulate performance based (functional) specifications – WG4c

Lessons learned

In order for PSS to work effectively they require procurers to think about whole life cycle of products

- **Procurement phase**

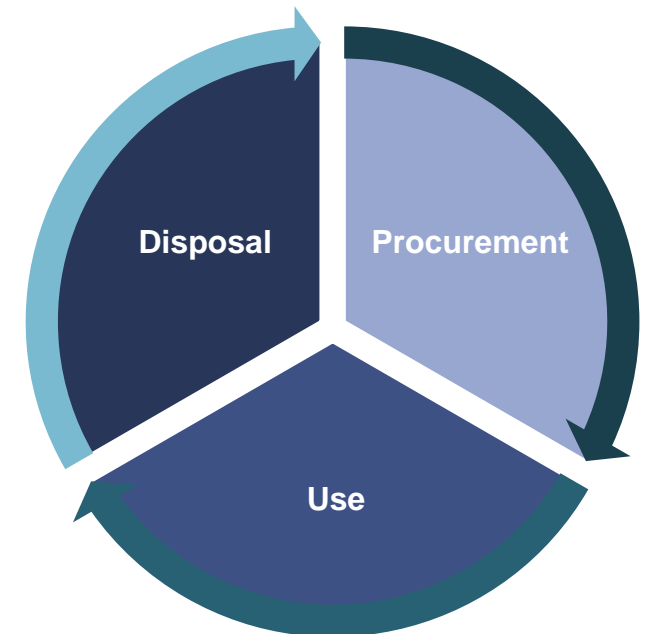
- preparation, demand, materials, selection & contract award

- **In-use phase**

- cost, business models operations & maintenance

- **Post-use**

- disposal, reuse, refurbishment, 2nd-life & recycling

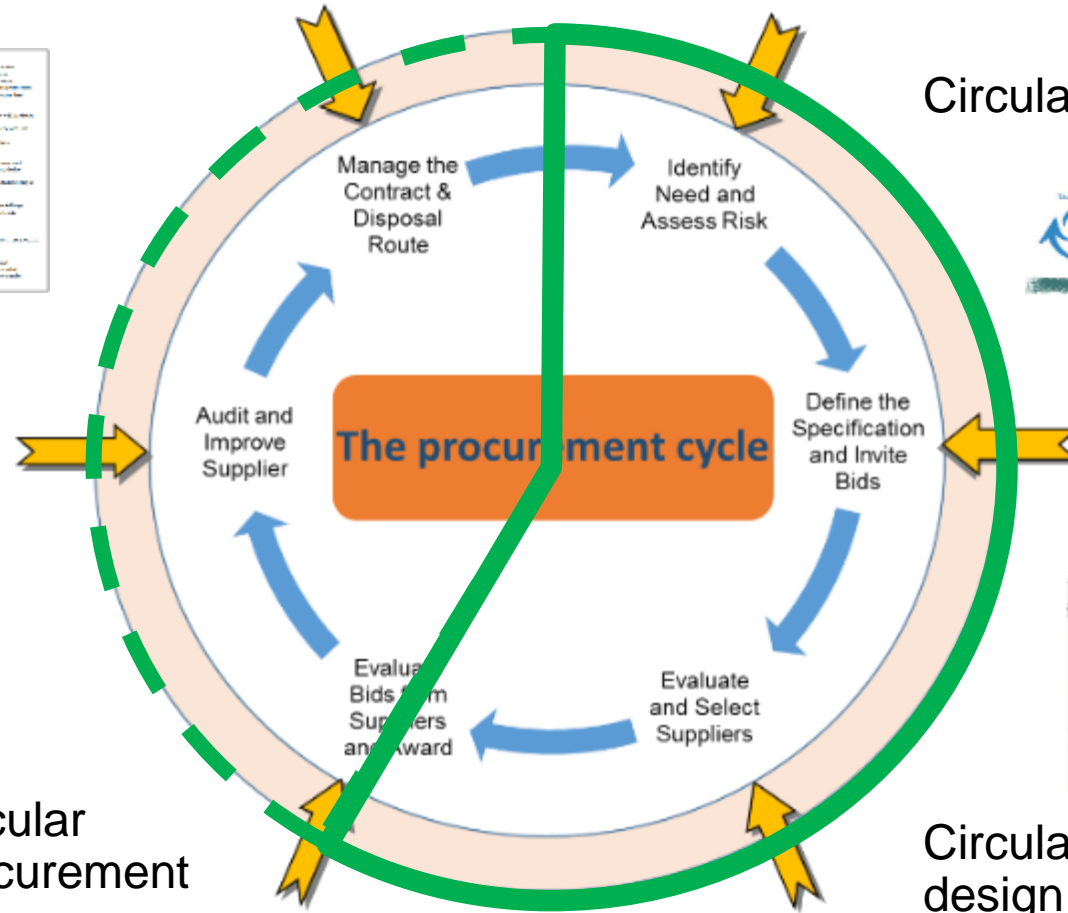


Sustainable public procurement & circular economy

Circular
business
models

1. Circular business models	1. Circular business models
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20. Circular business models	20. Circular business models

Circular thinking



Circular
procurement

Circular
design



PSS and circular procurement links

Links

A non-exhaustive set of related links. Please check the [UNEP SCP Clearinghouse](#) for further information on Sustainable Procurement

[Ellen MacArthur Foundation](#) - online learning providing cutting edge insight and content to support circular economy education

[Green Deal](#) - 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](#) - 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](#) – The UNEP guide to the role of PSS in a sustainable society

[Rijkswaterstaat](#) - Rijkswaterstaat is responsible for the design, construction, management and maintenance of the main infrastructure facilities in the Netherlands.

[Sustainable Procurement Resource Centre](#) - 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 2015 Using Product-Service Systems to Enhance Public Procurement](#) – Working Group 3a report that forms a key component of this training module.

[UNEP 10 Year Framework Programme](#) - 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](#) – United States Environmental Protection Agency. Sponsored the UNEP 10YFP SPP Working Group 3a that produced the PSS report.

[WRAP](#) – UK resource body with information of sustainable procurement and circular economy in practice



Thank you

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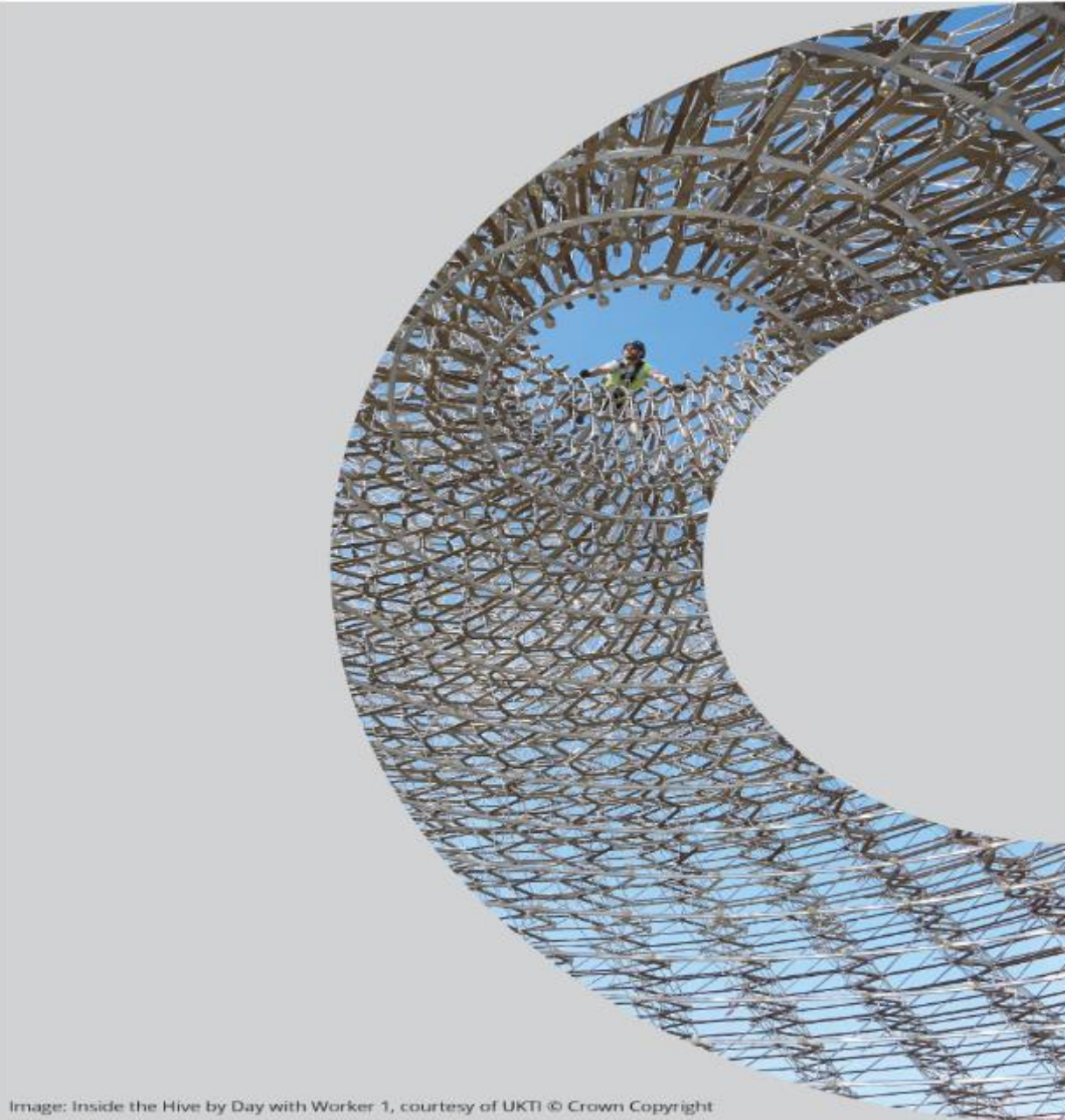
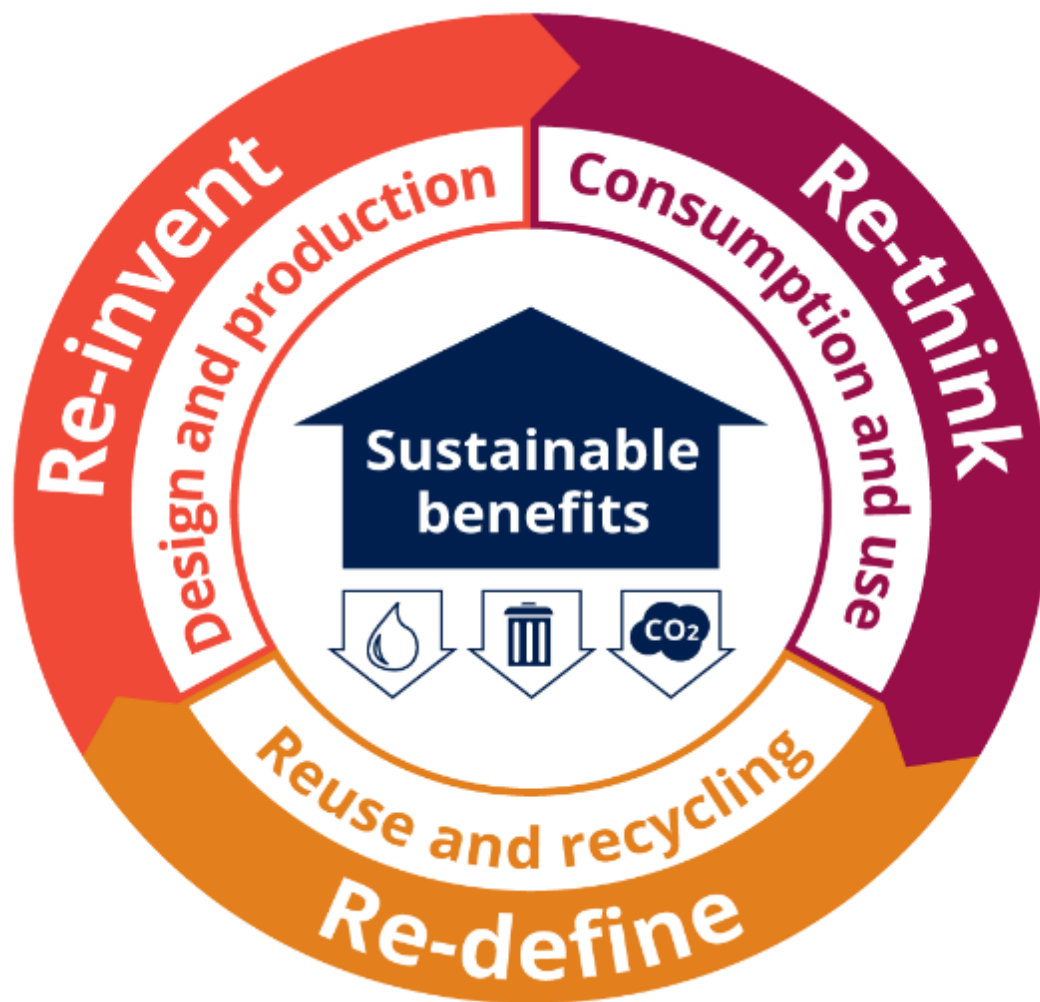


Image: Inside the Hive by Day with Worker 1, courtesy of UKTI © Crown Copyright



How we design,
produce and sell
products



How we use and
consume products



What is possible
through re-use and
recycling

A world where resources are used sustainably



The REBus Project

 @REBuslife

Goal:

To develop, test and implement profitable, resource efficient and resilient business models

In numbers:

30 pilots

3.5 years (2013-2017)

€3.1m

5 Partners

Resource Savings:

5,000 t materials

20,000 t GHG

€12m benefit

Benefits – to supply-side businesses



- Reduces risk in developing a bespoke commercial case
- Creates space to innovate and challenge the norms
- Develops efficient, resilient, profitable business models
- Develops new markets and new products
- Reduces supply chain risks
- Reduces dependency on physical resources
- Decouples growth from resource use

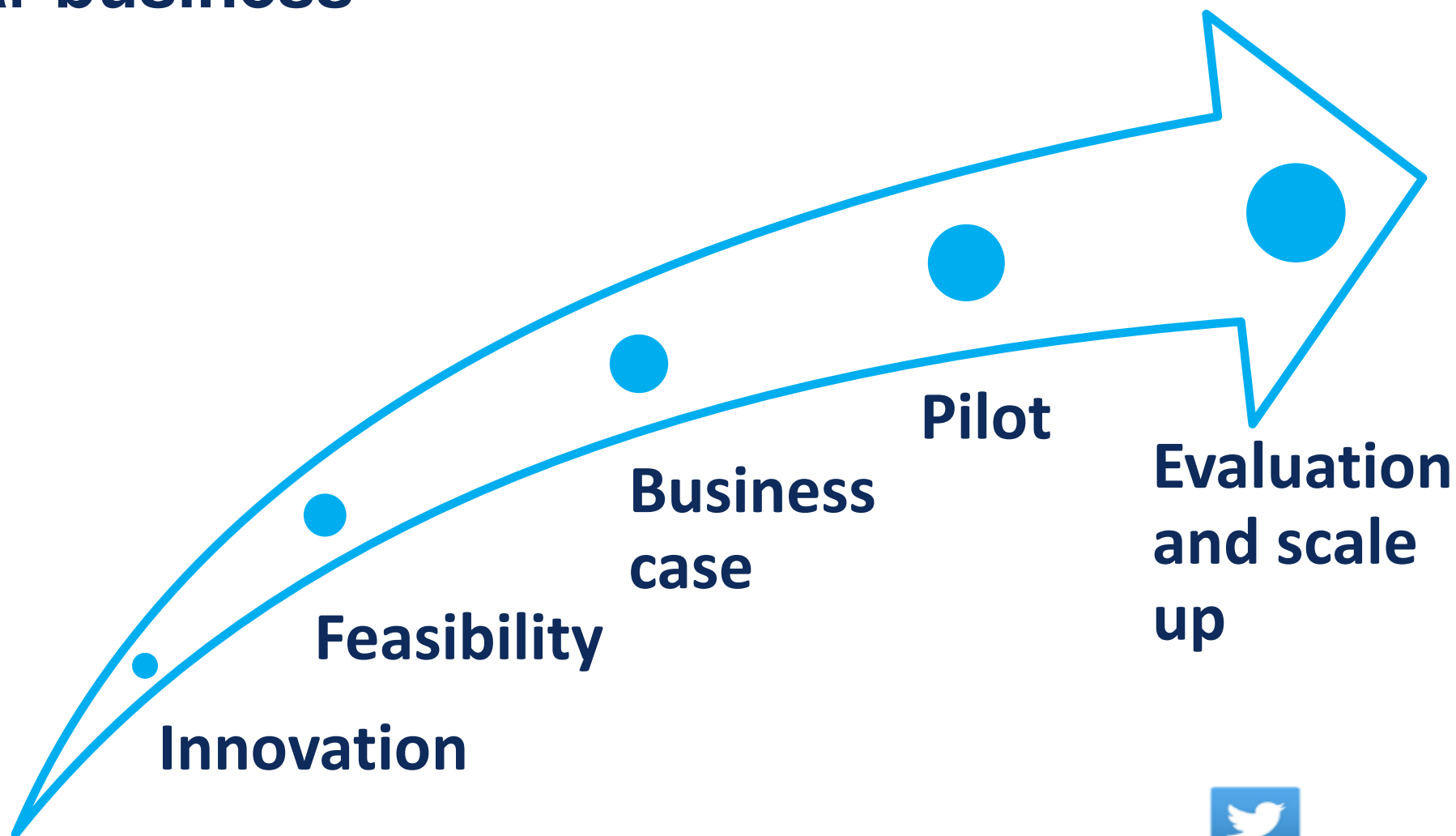


With the contribution of the LIFE financial instrument of the European Community



@REBuslife
www.rebus.eu.com

REBus stage gate support towards circular business



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www.rebus.eu.com



@REBuslife
www.rebus.eu.com



		UK project pipeline		



Gemeente
Amsterdam



Gemeente Rotterdam

ProRail



Uitvoeringsorganisatie
Bedrijfsvoering Rijk
Ministerie van Binnenlandse Zaken en
Koninkrijksrelaties



Rijkswaterstaat
Ministerie van Infrastructuur en Milieu



Ministry of Defence

NL project pipeline



www.rebus.eu.com

Thank you

Mike.robey@wrap.org.uk

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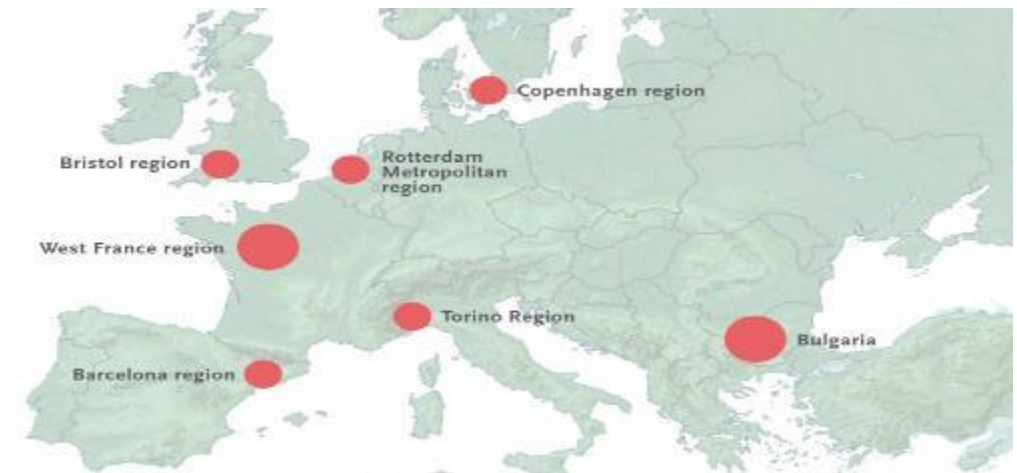
SPP Regions



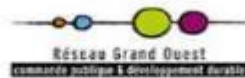
Aim: A total of 7 regional SPP networks will publish 42 eco-innovative tenders focused on energy use in public buildings, vehicles and transport, and food and catering services. The goal is to achieve 54.3 GWh/year primary energy savings and generate 45 GWh/year of renewable energy.

How to benefit/participate:

- We provide support for the creation of regional networks with a focus on SPP and PPI.



University of the
West of England



Diputació
Barcelona



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 649718.



The Capital Region
of Denmark



Danish Ministry of the Environment
Environmental Protection Agency



SPP Regions – Focal areas



Procurement areas:

- Energy use in buildings
- Vehicles and transportation
- Catering

Cross-cutting SPP/PPI topics

- Circular procurement (Danish EPA)
- Market engagement (ICLEI)
- Life cycle costing (Ecoinstitut)
- Performance/output specifications (UWE)

To learn more:

- www.sppregions.eu
- simon.clement@iclei.org



University of the
West of England



Diputació
Barcelona



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 649718.



Danish Ministry of the Environment
Environmental Protection Agency



GPP
2020

procurement
for a low-carbon
economy



Green Public Procurement 2020

www.gpp2020.eu



THE NEXT STEP **CIRCULAR PROCUREMENT**

CONGRESS

**20
22** **APRIL
2016**

Cuno van Geet

20-22 APRIL 2016 | AMSTERDAM

Partners



Programme

- 20 April - Networking and dinner (keynote: Thomas Rau)
- 21 April – Full day of workshops ranging from basic insights to future directions and perspectives for both procurers and business
- 22 April – Morning: Key learnings and next step

<http://www.circularprocurementevent.com/>