INTRODUCTION

The idea for a new Leadership Group specifically on Circular Procurement started during the ECESP Annual Event in 2020.


The first meeting took place on 26 January 2021, and the group’s role and goals were defined:

1. This group aims to connect the dots between the many initiatives that are currently ongoing on circular procurement. This LG will exchange insights into circular procurement case studies and initiatives. The ECESP website will be the platform through which we will share results, case studies and initiatives with a broader audience.

2. Together we will prepare a selection of priority policy recommendations based on shared experiences and existing insights of previous initiatives. Furthermore, we will do everything in our power to support the authorities with the implementation of these recommendations.

Through this strong network of policy makers and together with many European projects on circular procurement, we are working on upscaling and mainstreaming circular procurement. This is done in conjunction with other initiatives, such as Interreg NSR ProCirc, SPP Next and C-Prone.
At this first meeting, Janine Borg (EESC) presented the objectives of the stakeholder platform and Lieze Cloots (OVAM) presented the Coordination group. The circular procurement landscape was mapped out with contributions from Interreg NSR ProCirc and C-Prone by Joan Prummel (RWS), followed by a lively discussion on the topics on which the Group would be working. The full report can be found here.

An online board brings together all the information, ideas and initiatives. In order to achieve the first objective, the stakeholder platform is presented as the forum for posting case studies, projects and initiatives on circular procurement. Each partner undertook to provide a minimum of three case studies. In addition to the ECESP website, Cynthia Reynolds (Circular Regions) presented a website that collects case studies for cities and regions. Regarding the second objective, our LG has started with an overview of recommendations (during the second meeting on 3 March 2021) issued by the various regions and members. Christian Tangene (Dfo) presented this overview and then all the group members added the recommendations to a priority graph indicating how much effort and impact they would have.

The first measures intended to influence policy entailed contributing to the European Sustainable Products Initiative (topic of the third LG meeting, on 26 May 2021). See reflections below.

Regarding the third objective, many lessons learned from experiments and insights from policy makers in Europe should be brought together to mainstream circular procurement. In order to strengthen this goal, we held an EUCircularTalk on 25 November 2021 on the topic of mandatory GPP criteria.

To upscale our work, this LG will also hold a session at the World Expo to share the lessons learned, policy recommendations, good practices and instruments of European Circular Procurement initiatives.
Reflections on the Sustainable Products Initiative

Policy context
The call for input for the Sustainable Products Initiative was an ideal opportunity to integrate the concerns of procurement agents and public buyers. Since the purchasing power of public authorities represents 14% of EU GDP, it can be a powerful driver of the demand for sustainable products (CEAP, 2020). Furthermore, circular procurement acts as a lever for the transition towards a circular economy by increasing demand for circular products and services and stimulating market innovation. This in turn will lead to higher resource efficiency, reduction of waste and fewer greenhouse gas emissions. “Circularity is an essential part of a wider transformation of industry towards climate-neutrality and long-term competitiveness. It can deliver substantial material savings throughout value chains and production processes, generate extra value and unlock economic opportunities” (CEAP, 2020).

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<th>Experience and expectations</th>
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<td>There is currently no accurate, reliable information on product sustainability performance; stricter regulation and minimum sustainability standards for products at EU level will greatly facilitate the work of individual procurement agents and organisations in embedding circular economy outcomes.</td>
<td>In order to provide reliable information on ecodesign requirements, ecolabel criteria, EPR modulation criteria and GPP criteria should be tackled through the same process, rather than being developed in silos with different methodologies, timelines and governance processes.</td>
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<td>Stronger guidelines are needed on how to select and weight criteria, so the benefits of taking a circular approach are accounted for when evaluating tenders.</td>
<td>Training programmes and initiatives to change behaviour are needed to transform current procurement methods. Guidance, training and dissemination of good practices support capacity building within the organisations of the buyers and the suppliers.</td>
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<td>Performance-based rewards in contracts could motivate suppliers to develop and manage sustainable products and services but they are difficult to implement for procurement agents.</td>
<td>Training programmes and initiatives to change behaviour are needed to transform current procurement methods. Guidance, training and dissemination of good practices support capacity building within the organisations of the buyers and the suppliers.</td>
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<td>More economic incentives are needed to support embedding of circular outcomes. There is still too much emphasis on lowest cost in procurement, with circular business models being perceived as more risky and costly to implement.</td>
<td>Financial systems within public bodies need to change accordingly, so as to facilitate the transition to more circular business models. Adopting a lifecycle costing approach needs to be made mandatory practice within procurement policy. There is a need to develop different metrics within evaluation criteria, with stronger weighting allocated to environmental criteria such as carbon footprint and resource efficiency, in relation to cost.</td>
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<td>Data and reliable information on circular criteria are necessary to evaluate tenders in the tender phase. Building both procurement agent and supplier competence is a key aspect that should be addressed in tandem with the Sustainable Products Initiative and development of a digital product passport.</td>
<td>A digital passport can play a critical role in providing information needed to compare products, with high levels of certainty as regards the veracity of the data. Training will be required for procurement agents on how to use a digital passport at all stages of the procurement cycle, from tendering and evaluation to contract management to use of the product.</td>
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Reflections on mandatory requirements as a driver for the CEAP

Policy context – Circular Talk on 25/11/2021
For an individual buyer, it is not easy to integrate circular criteria into a tender. This innovative process places considerable responsibility on the individual’s shoulders. When a city or region imposes mandatory GPP criteria, the sustainable choice will become easier for a public buyer. In addition, the market evolves much faster and products or services are adjusted to the new requirements. With examples from the City of Hamburg (Prof. Dr.-Ing. Kuchta, Hamburg University of Technology), from Italy, (Alessandra Maschioli, Ministry of the Ecological Transition of Italy) and from the City of Pamplona (José Fermín Costero Bolaños, Pamplona City Council and Silvia Baines Zugasti, Government of Navarre), the Circular Talk participants got an overview of what was possible. Emmanuelle Maire, Head of Unit DG ENV, Ferre Wijckmans (EESC), Mark Hidson (ICLEI) and Mervyn Jones (RWS) then provided interesting insights and possible ways forward.

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<td>Is it a good idea to make sustainable/circular requirements mandatory? There are two different approaches: setting requirements at product level or setting requirements at procurement level.</td>
<td>An <strong>outcome-based approach</strong> might be better. This approach avoids the risk of innovative products being excluded. A minimum circular standard combined with stimulating innovation, looking at the performance or actual need could create a level playing field in Europe.</td>
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<td>What are the challenges as regards imposing mandatory green and circular criteria?</td>
<td>The <strong>social aspect</strong> and the affordability of circular solutions will be critical to success. SMEs also have an important role to play in shifting to a circular mindset. Buying from local providers (SMEs) is also important for accelerating the shift to circular procurement.</td>
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<td>What are the preconditions outside the procurement department to make a circular tender a success, such as involving administration, finances, waste department, decision-making processes?</td>
<td>All stakeholders should be involved: do we really need to buy something, how will we use the products, what will happen when we no longer need it? The main <strong>challenge is on a behavioural level</strong>, but lifecycle costing will help procurement agents create a framework of consistency.</td>
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How can certification encourage sustainable suppliers? How can verification be organised?

The European Commission has several certification tools and labels (EMAS, EU ECOLABEL). However, SMEs are not always in a position to finance certification so public authorities could look for other evaluation methods to assess the circularity of innovative products or services. Functional specifications are key, and quality needs rather than technical criteria will bring circular products into line with linear products.
LOOKING AHEAD/ CLOSING REMARKS

In this leadership group, many important issues and policy recommendations were brought together on an online board. At the beginning of 2022, we will decide which specific topics, related to opportunities provided by the CEAP or other initiatives, will be tackled. Regarding a possible second EUCircularTalk, one could be held in April 2022 on monitoring and certification/verification of quality and circularity.

List of LG members in 2021

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Anna Cameron ECESP Secretariat
Anne Goidts KAMPC
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Caterina Rinaldi ENEA
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