Lessons learnt from the procurement pilots in the Circular PP

Circular Public Procurement (CPP) is a three year project between 2017-2020, supported by the Interreg Baltic Sea Region Programme. The main goal of this project is to develop an adequate framework for circular procurement in the countries belonging to the Baltic Sea Region, one part of this is by learning from the circular procurement pilots that have been carried out in the project.

In this leaflet we give you a summary of the pilots and tell you briefly about the lessons learnt.

In Europe, the public sector buys around 2 trillion euro worth of goods and services annually. That is about 14% of the EU’s GDP. Circular economy is an economic system that represents a paradigm change in the way that society relates to nature and aims to prevent the depletion of resources, close energy and material loops, and facilitate sustainable development. By experimenting with non-conventional business models, focusing on quality of products and services and creating resource loops, circular procurement aims to lead the way to a circular economy.

Different levels of circular economy

From the most basic level of recycling products into new ones, to the most circular approach of a system change where products can be maintained for long term use and can easily be shared, rented or loaned.

Circular tenders criteria

There are many ways to introduce circular criterias in tenders. Below you can see steps and different approaches that you can take towards the implementation of circular economy into tenders.

For more information about the step of circular tendering go to www.circularpp.eu

At the Circular PP homepage you will also find reports on circular business models and circular procurement policy in the Baltic Sea region.
LESIONS LEARNT:

MALMÖ, SWEDEN

Background
During the Circular PP project, the situation in Sweden has changed rapidly regarding circular economy. Sweden has a delegation for circular economy with one of the main targets to support public procurement to be more focused on the reuse and prolonged life of products. In Sweden’s national procurement strategy, promoted by the National Agency for Public Procurement (UVK), one of seven sub-goals is about sustainable procurement, where circular economy is mentioned. With this being said, Sweden still has a long way to go to make circular procurement mainstream.

Case
Malmö has been working with a tender for non-new furniture, with the aim to not only be able to buy second hand furniture but also take better care of the furniture already owned by the municipality, refurbishing existing furniture and collaboration between internal functions and external suppliers. Since January 2019, Malmö has a framework contract with four suppliers and in the first year the contract was valued at almost 600 000 euros and has saved 170 509 kgs of CO2, which equals 68 round trips to Thailand.

Lessons learnt
- Start thinking about behavioural change early in the tender process. A circular tender will not change the behaviour of the people in the organisation, it is the implementation of the contract that will make people choose to purchase more circular products or services. The City of Malmö made sure that buyers met the suppliers, shared success stories on the intranet and set up an exhibition in the city hall to let people see that second hand furniture looks just as good as new.

LESIONS LEARNT:

LATVIA

Background
There is a national circular economy action plan, which also includes a strengthening of Green Public Procurement (GPP). Discussion around a circular economy has started but there is a need for more positive examples and capacity building. In addition cooperation between the actors in the procurement process must be strengthened.

Case
The Latvia partner LEIF, Latvian Environmental Investment Fund, is not a municipality as in Sweden and Denmark. LEIF has been working with several municipalities during the CPP-project.

Lessons learnt
- It is valuable to start with smaller pilots – there is greater possibility for good results and smaller losses, and such good experiences could later encourage larger projects with greater impacts. Starting with very big projects, with no prior experience, might lead to a lack of commitment to continue e.g. too great a responsibility and too high stakes.
- Look for support from the Mayor or upper management in the municipality and try not to be too dependent on one person. Anchor the project and create a team of supporters willing to continue the project in case of changes in personal.

LESIONS LEARNT:

AALBORG, DENMARK

Background
In the Danish Strategy for Circular Economy, published in 2018, it is stated that the government will ensure that Denmark continues to be among the frontrunners in green and circular public procurement. Since then there has been a lot of attention on circular procurement. The State and Municipal Purchasing Service in Denmark (SKS), Confederation of Danish Industry (DI), The Local Government Denmark (KL) have all made ambitious strategies and goals for circular procurement.

Case
One of Aalborg’s cases during the CPP-project has been in ICT and about creating a service for buying back used ICT equipment from the municipality (including, for example, mobiles, tablets, computers, laptops, wires, storage and servers). This will prolong the lifetime of the ICT equipment.

Another great potential for environmental and economic savings could be achieved if an engraved logo, which is mandated to be on all municipal computers and laptops, was to be removed. This logo, which is part of an anti-theft policy across the municipality, not only represents a cost, but also significantly reduces the price that suppliers are willing to pay for used ICT equipment. The second case in Aalborg is a pilot for a playground/outdoor area, were the municipality wants to emphasize a more holistic way of thinking. The main emphasis is on the terrain, hills, play surface, learning and tools. Hills, terrain, trees, etc. make a valuable play environment with endless opportunities that continue to challenge and create a team of supporters willing to continue the project in case of changes in personal.

Lessons learnt
- Do not stop the process if you can see a clear benefit, in line with the organisation’s goals, but cannot get a complete YES from the stakeholders. If you don’t get a NO just continue. Often the missing YES is a result of uncertainty and lack of time.
- Thorough market dialogue processes give an opportunity to obtain feedback in regard to potential services and criteria. For suppliers, the dialogue processes represented an opportunity to understand the needs and priorities of the municipality.