PIANOo EXPERTISECENTRUM AANBESTEDEN



SUSTAINABLE PUBLIC PROCUREMENT

THIS IS HOW IT'S DONE!

GOVERNMENT AND PRIVATE SECTOR EXPERTS

SHARE THEIR EXPERIENCES OF SUSTAINABLE PUBLIC PROCUREMENT

DEAR READER,


Staatssecretaris Sharon Dijksma

This brochure is a personal challenge to pursue socially responsible procurement – a key aspect of doing business. Indeed, if we want to live in healthy, climate-neutral cities, eradicate child labour and make the transition to a circular economy, socially responsible procurement can help us take practical steps in the right direction. We can achieve so much more by doing this together. The key word is cooperation: not only by working with other authorities and with the market, of course, but also through better teamwork in our own organisations. The municipalities of Eindhoven and Rotterdam are inspiring examples of how public administrators, procurement officers and budget holders can work together. To learn more, please read on.

To make a real difference, we must go beyond setting minimum environmental standards – there is scope to do so much more.

I challenge you to engage in dialogue with the market and to invite partners to come up with sustainable solutions. Team up with staff working for other government organisations. By sharing your experience, you can help others. You are not facing the task alone!

What do the Ministry of Defence, the Radboud University medical centre and the Utrecht provincial authority have in common? Read the interviews with some of their staff! They bravely avoided easy solutions and, as pioneers, initiated dialogue within and beyond their own organisations. This can create a sense of vulnerability, because not every initiative will succeed. But we need to accept this and learn from it. PIANOo is a useful tool for pooling our experience.

I challenge you to pursue socially responsible procurement and to make it a great success Don't go it alone – team up with someone else. Look for others who are interested, work together, learn from each other and share your knowledge. Push the boundaries in and beyond your own organisation and draw inspiration from the shining examples in this brochure. You too can make a difference. Socially responsible procurement – just do it! ■

Sharon Dijksma
Minister for the Environment

SUSTAINABLE PUBLIC PROCUREMENT IN EINDHOVEN:

TELLING A CLEAR STORY

The Municipality of Eindhoven is all about sustainability. Sustainability is a central priority in all of its business practices, and the Municipality of North Brabant recently took things to the next level by getting on board with the Paris climate agreement. Alderman Staf Depla, Sandra Poels (Sustainable Public Procurement Advisor) and Vanessa Silvertand (Sustainability Programme Leader) share their experiences of putting sustainability into practice at local government level. "It is important to tell a clear story that everyone understands and that sets a clear direction."

Practical example
The City of Eindhoven has implemented a sustainable public procurement policy based on "The Natural Step" (TNS) method.

Special
A combination of top-down policy and a bottom-up approach, by training all 2,400 employees.

Since
2009

Good quality of life

Alderman Staf Depla: "The city council's key priority is to ensure a good quality of life in our city, now and in the future. A sustainable city is a healthy, safe, accessible and thriving city – in other words, an attractive place to live, work and visit. Among other things, together with local residents, we are exploring ways of using public lighting to create a pleasant ambiance. Our city is the testing ground." In February 2016, Eindhoven also became the first Dutch municipality to get on board with the Paris climate agreement. "After the Paris climate agreement came about, we came to the conclusion it was time to up the ante on our city's ambitions," says Depla. "Now, with an annual climate budget, we are committing to strict agreements on sustainability. Also, from now on, all of our departments have to justify their actions and



Sandra Poels, Vanessa Silvertand and alderman Staf Depla

undertakings with regard to sustainability." The Municipality of Eindhoven's impact is considerable. Depla: "Our municipality makes annual purchases to the tune of nearly 350 million euros. This enables us to have a real environmental and social impact, both in the Netherlands and abroad."

The Natural Step (TNS)

With "The Natural Step" method, Eindhoven is working step by step towards achieving full sustainability, by following five key principles:

- efficient energy usage and the use of green energy;
- the use of recyclable and biodegradable materials;
- preserving and expanding the natural environment;
- working to our own strengths and supporting local citizens where necessary;
- ensuring others are not negatively impacted by our actions and, where possible, improving their quality of life.

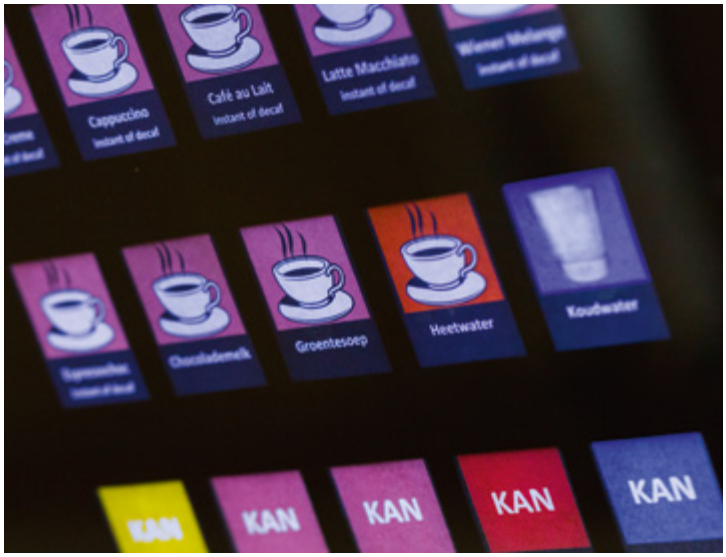
Workshops

The method that Eindhoven is using in implementing its sustainability policy is "The Natural Step" (TNS), which focuses on both the physical aspects of sustainability – materials, waste, energy and biodiversity – and the social aspects – combating poverty, social engagement and education. Depla: "We want to work with our residents and partners to achieve a high quality of life. That involves stimulating innovation and offering our city as a living lab." Over a four-year period, the council organised workshops for nearly all of its employees. "We started in departments where there was a real need and where an immediate impact could be achieved, like Purchasing, and departments where great gains in the field of sustainability were possible, like Real Estate," says Silvertand. "We first explained the core principles of TNS during the workshops, and then had the participants apply them to their own activities. Every workshop yielded

different results, as everyone brings a different range of knowledge and expertise to the table." "We then immediately initiated a number of tailor-made pilot projects," Poels adds. "It was a great way of experimenting with challenging the market when it comes to sustainable public procurement (SPP), in addition to the PIANOo criteria. The TNS method and central government's policy complement each other well. We shared the results of the pilot projects with the organisation. They were highly promising and made everyone keen to take things to the next level. Communication is an essential key to success."

Dealing with opposition

However, there was also some opposition. Silvertand: "It is important to explore where that opposition comes from and to not just dismiss it out of hand. When you offer a little extra support, you will often find that the people who were initially sceptical end up being the most supportive." Poels: "Not everyone will respond to the same approach. For one person, a bottom-up approach using workshops will work well, while another may be more responsive to a top-down policy coming directly from the management. In Eindhoven, we believe in a combination of these two approaches." According to Silvertand, an enthusiastic alderman can make a world of difference. "Thanks to Staf Depla's involvement, it is easier to arrange things; policy is drafted and approved more quickly. But at the end of the day, things go a lot more smoothly if you appeal to people's intrinsic motivation."



> "Our city is a *living lab*"

More and more tailor-made solutions

So how do you go about translating a broad approach like TNS into your own procurement policy? Poels explains, "We incorporated TNS into the step-by-step plan that we follow for each call for tenders. But that does not mean each tender procedure happens in exactly the same way. Sustainable public procurement requires a tailor-made approach. You have to review each call for tenders or purchase separately to see how high you can set the bar for sustainability, with the environmental criteria being the bottom line. We focus on the quick wins and call for tenders with a high impact (both internally and externally); we try to be innovative and creative and to stay open to exploring alternatives. Developing a new procurement support system based around sustainable behavioural change is a part of this approach."



Sandra Poels

PROS AND CONS

+ An important way of making the aim of being a sustainable city into a reality.
+ Creating awareness in new sectors, such as the healthcare sector.

- Sometimes suppliers are only paying lip service to sustainability.
- At the moment, sustainability is not yet achievable in every call for tenders.

Is sustainable public procurement always an option? Poels: "Not always. Sometimes the market is not ready to implement sustainability criteria, for example in the healthcare sector. However, we still asked our healthcare providers what they were doing to improve sustainability. That is how you create awareness. It turned out they were actually doing more than we were aware of: organic food, solar panels, electric cars onsite – those are just a few examples."

Making it concrete

So how does the Municipality of Eindhoven evaluate sustainability in tenders? "It is quite tricky to evaluate stories centred on quality," says Poels. "We started out by working with a 1-to-10 score, but it turned out the distinctive capacity was very small. Now, we will give a distinctive, transparent and clearly-substantiated story a positive rating, while a story that is average, nominal or not up to par will receive a neutral or negative rating. For example, in a tender for a new fleet, everyone will say they plan to promote the use of public transport. But it only gets interesting once a supplier is able to make that concrete in some way, for example by giving residents free public transport passes." What is Poels proud of? "Sometimes everything dovetails beautifully, like with the procurement of drink dispensing machines. Thanks to a local entrepreneur we now have drink dispensing machines that run on green electricity, make organic and carbon-neutral tea and coffee and are being maintained by employees from a sheltered workshop, and that are transported exclusively using electric cars. It is fantastic how something as simple as coffee can turn out to be a powerful way of getting sustainability onto people's radars." ■

EFFECTIVE COOPERATION;

MAKING GREAT LEAPS FORWARD



Practical example
Circular procurement of company clothing and controlled return flow of uniforms used by the Ministry of Defence.

Special
A competitive tender procedure resulted in the return flow being awarded to a sheltered workshop; weekly contact; continuing to seek out sustainable solutions.

Since
2012-2016

Rob van Arnhem is a Lieutenant Colonel at the Ministry of Defence (ministerie van Defensie), and responsible for the procurement of company clothing for the entire government. He has found a unique – and above all sustainable – approach to this. "If you're smart about it, there's a lot to be gained."

Waste of capital resources

Sustainable public procurement (SPP) is one of the central government's key priorities. The Ministry of Defence is also strongly committed to it. Nevertheless, until just a few years ago it was mandatory that all uniforms were burned. "For safety reasons – to prevent them falling into the hands of malicious parties," Lieutenant Colonel Rob van Arnhem explains. "Until 2013, we had about €500,000 worth of old clothes incinerated in a controlled process every year. It was a waste of resources that I found unbearable, so I set about looking for an alternative. Now, all company clothing is returned and recycled, and then converted into fibres that serve as new raw material. And the rules relating to the destruction of garments are still adhered to. In other words, it's a quick win-win solution."



Effective cooperation

As the Category Manager for the Dutch central government's company clothing, Van Arnhem is responsible for the procurement of company clothing for all the ministries, with an annual contract value of several dozen million euros. "That includes all the clothing for the Ministry of Defence, but also the uniforms worn by foresters, customs officers, prison guards, judges and the employees of the recently-established federal cleaning organisation Rijksschoonmaakorganisatie." Category management is a government-wide strategy for the centralised management of the entire life cycle of a product or service – from drawing up specifications in the beginning to contract management and evaluation at the end. "It's about effective cooperation, rather than having each department do their own thing in a compartmentalised way," Van Arnhem explains. He feels that lower-level government agencies should take this as an example. "Local councils will often find themselves reinventing the wheel over and over again, and hand off the responsibility for improving sustainability to the supplier. Join forces, develop a vision on sustainability together, and be transparent with the market."

Strict

Van Arnhem offers very interesting opportunities for market players, which puts

him in an influential position with regard to suppliers of clothing and textiles. "I am always very open about what I can spend. Each year, I give manufacturers my tender calendar for the next five years. And that works. Suppliers respond to my ambitions, and are by now more than able to meet my requirement that new tenders must, if the market can handle it, incorporate at least 10% recycled content. And I do not mean recycling plastic bottles, but consumer content – in other words,

> "Every year, I give manufacturers my tender calendar for the next five years"

textile waste. Because that is what places the greatest burden on the environment. And I am strict – suppliers who do not comply with this are out of the running, full stop. And anyone who manages to exceed the 10-percent minimum has an improved chance of being awarded the tender. Here, the price is secondary to the SPP objective. It ended up taking about two and a half years before any parties were able to meet this requirement. Several suppliers have now come forward for the production of overalls and towels."

Sheltered workshop

Back to the used clothing, which is handed in and sorted at the Biga Groep in Zeist, a so-called sheltered workshop. "We sort the items of clothing that military personnel have left over, that no longer fit them or that they have sent back," says Robert Jan Keiman, team leader at the Biga Groep and the contact for the Ministry of Defence. "The garments are either returned to the Ministry of Defence's clothing warehouse, go to Reshare to be recycled or to the Ministry of Finance's (ministerie van Financiën) State Property Service Movable Goods (Domeinen Roerende Zaken) department for public sale. A small proportion will be incinerated by Van Gansewinkel. Van Arnhem: "We started with a pilot project in 2006 because the Ministry of Defence wanted to help people at a distance from the labour market. We then issued a multiple private tender and chose to only involve sheltered workshops in the tender procedure. Biga Groep BV ended up winning the tender twice in a row. In addition to price, we also took into account the safety of the employees and the work environment."

Valuable collaboration

Biga Groep is tremendously proud to have the Ministry of Defence in its client portfolio, although it also caused Keiman a few sleepless nights. "We were very keen to get the opportunity to work for the Ministry, but it is also a big responsibility. By now, everyone is very enthusiastic, and our employees are highly motivated. The Ministry of Defence has become a part of their lives; some of them have even visited the National Military Museum (Nationaal Militair Museum) and come along on company outings." And how does Van Arnhem feel about the collaboration? "I make sure to listen carefully to the Biga Groep's contributions, and regularly visit the workplace, because that inspires new ideas." Keiman adds: "A great example of this is that we have also started repairing helmets. And if the packaging of the goods is damaged, we will repackage them so



Rob van Arnhem

PROS AND CONS

- ✚ Social return, sustainability and cost savings.
- ✚ Suppliers are growing and transforming in tandem with the Ministry of Defence's ambitions.

- ▪ You have to be patient, and give yourself and the market time to adjust.
- ▪ A long preparation process: drafting a vision, conducting a market consultation and drawing up a schedule.

that they can be returned to the Ministry of Defence's warehouse. Those goods used to end up being repurposed, which of course was kind of a waste." Van Arnhem feels that working closely with the market can be incredibly valuable: "The market players are the ones who have the expertise and a fresh perspective on things. The government needs to take advantage of that. That is why I am a huge proponent of market consultation."

Challenge

The Ministry benefits financially from all these efforts, too. Van Arnhem: "I have done research into the market value of our return flow, and turning clothing into fibres can save the Ministry hundreds of thousands of euros a year. The money is quite literally there for the taking." With this initiative, Van Arnhem also stimulates sheltered employment. "Normally, contracts are entered into for a four-year period, but I am awarding tenders for the sorting and processing of used clothing for a period of eight years." According to Van Arnhem, circular procurement also means thinking about what happens to your things once they have been written off. For Dutch Design Week, the Ministry of Defence, together with Corporate Social Responsibility Netherlands (MVO Nederland) and Fashion Council NL, issued a challenge, in which young designers submitted ideas for recycling old army uniforms. The winners designed an outdoor line including tents, hammocks, parasols and a functional raincoat. Leger des Heils ReShare – a subsidiary of the Dutch Salvation Army – also reuses old army fabric in the production of fleece blankets which are provided to refugees in Southern Europe as emergency aid. Van Arnhem: "If you're smart about it, there's much more to be achieved than just cost savings alone." ■

BRINGING SUSTAINABILITY HOME TO ROTTERDAM'S RESIDENTS

Rotterdam is keen to set the right example. That is why the city is doing everything in its power to keep the environmental footprint of the local administration to a minimum. In addition, the Municipality of Rotterdam provides incentives to suppliers whose performance in the areas of energy savings, clean mobility and the circular economy is above-average. "We are taking advantage of the scope offered by the tender regulations."

Visible efforts

Rotterdam spends an annual of € 1.3 billion on procurement. How does the Municipality of Rotterdam strike the right balance between price, quality and sustainability? Pex Langenberg, Alderman for Mobility, Sustainability and Culture, explains how the municipality sets its priorities: "The main thing the municipality of Rotterdam wants is a sound product at a reasonable price. With each procurement process, we sit down with the purchaser, the authorising officer and the sustainability advisor to look at which option provides the most opportunities in terms of sustainability, social return, financial advantage or benefits to the Rotterdam business community. Of course, a tender will ideally cater to all of those interests. In many cases, we will choose the most advantageous tender. It is important that our efforts are visible to Rotterdam's residents. Over the next few years, we want to bring sustainability home to the people of our city."

Rotterdam style

Rotterdam is one of the pioneers in the field of sustainable public procurement (SPP). What is the Netherlands' second largest city's secret? Langenberg: "We have extensive expertise in procurement processes as well as technical expertise: in-depth knowledge about the environment, sustainability and the product or service we wish to purchase. For example, we purchase all the outdoor products ourselves and make them available to our contractors. That way, we can make sure all products meet our criteria and fit in with the Rotterdam



Alderman Pex Langenberg

style. This makes us a serious market partner. We often do business directly with the industrial sector. This enables us to guarantee high quality and affordability, and to have an impact on the sustainability of the products. We are in dialogue with market players on a continuous basis. In our experience, suppliers are keen to offer sustainable solutions, but need to be given direction. To this end, municipalities could become even more effective at working with suppliers. If we were to join forces rather than keep reinventing the wheel, it would be a lot more efficient. I think PIANOo could play a role in this transition too."

Own strategy

When issuing invitations to tenders, the City of Rotterdam always uses PIANOo's criteria as its minimum starting point. Where possible and desirable, the bar will be set higher. Langenberg: "Especially if we think that the tendering parties will really be able to make a difference, or if we are able to provide an extra impetus with our procurement. The challenge we are facing is that many of our suppliers are only small links in the total supply chain. They, in turn, have their own suppliers that they purchase from. The challenge is to get them involved with the focus on quality and sustainability too." ■

ROTTERDAM IS STIMULATING INNOVATION IN THE CONCRETE INDUSTRY WITH LCAS

With about 3 million concrete tiles every year, Rotterdam is the largest purchaser in the market. Because the production of concrete takes a high toll on the environment, concrete producers are hard at work trying to make the process more sustainable. Rotterdam rewarded their efforts by asking them to submit innovative solutions and to map the concrete production chain using the so-called life-cycle assessment (LCA) in order to also make the hidden environmental impact visible. The result: the environmental costs per tile have been halved.

Practical example
Commission: framework agreement for the delivery of concrete tiles over a four-year period.

Special
The use of the life-cycle assessment (LCA) and innovation at the product level as a way of halving the environmental costs per tile.

Contract term
The call for tenders was issued in 2014; the framework agreement was signed in 2016 for a four-year period.

Cradle to gate

Léon Dijk, Sustainability Advisor at the Municipality of Rotterdam, together with Senior Purchaser Eric van der Leeden, oversaw the tender procedure for the supply of concrete tiles over a 4-year period. This was the first time the call for tenders had been issued with the emphasis on sustainability. "We asked all parties to make use of the life-cycle assessment (LCA) to map the entire chain and all the processes involved – from raw materials extraction to delivery in Rotterdam," Van der Leeden explains. "In other words, cradle to gate, rather than cradle to cradle, which is a more common way of using of the LCA. This approach chimes perfectly with the innovative and sustainable developments that are taking place right across the market."

Opportunities in the production chain

"If you truly want to make concrete more sustainable, you have to make changes to the production chain," says Dijk. "Even though this can be quite complicated in terms of the legislation governing the tender procedure." Van der Leeden: "We are not allowed to place any requirements on the supplier's supplier. We wouldn't want to, either – after all, we are not an auditor – but we do want more information from each of the different parties involved than just their certificates." Dijk and Van der Leeden conducted a market consultation to review their plans. Van der Leeden: "We sat down with three producers who would be capable of handling our huge demand. They were very enthusiastic, especially as it enabled them to finally leverage their capacity for innovation. And they are also able to use the outcome of the LCA as a way of showing other clients how sustainable they are, which is extremely valuable for them."

Producer-specific LCA

Dijk: "We wanted to give manufacturers maximum freedom to come up with environmental innovations without compromising the technical criteria. Because it has to be possible to verify this using an objective measuring method, we opted for the only method currently available about which there is a nationwide consensus: the LCA. This tool is frequently used in the construction sector, and completing an LCA is affordable for producers."



Léon Dijk and Eric van der Leeden

PROS AND CONS

- ✚ Objective method for comparing different manufacturers.
- ✚ Provides insight into the chain; gives manufacturers the freedom to innovate according to their own insights.

- ▪ More preparation time is needed (normally six months; now almost one and a half years).
- ▪ The tender could have been expensive, due to the LCA having been weighted heavily (40%).



Rotterdam did make it slightly more difficult for them by requesting a producer-specific LCA. Van der Leeden: "If everyone used standardised data, you would get the same outcome everywhere. We wanted to get producers to collect data from their own manufacturing process and their own supply chains so that they would take responsibility for them."

A clear course

So how did the market respond? Bert Wiekens, Account Manager at concrete producer De Hamer: "We are quite active in sustainability and are always looking for ways to keep improving. But we had never before mapped out our sustainability to the level of detail that Rotterdam asked from us." The LCA held up a mirror to De Hamer. "We are even more attentive to our transport movements now," says Wiekens. "We also monitor our suppliers more closely, and have started asking them to provide us with specific, verified data." Being awarded the tender also requires a substantial investment from De Hamer. Wiekens says that at least €100,000 will be required for a new mixing system and an additional silo for the storage of new raw materials. "It is an investment we would have made in the long run anyway, but now we are doing it a little sooner." Van der Leeden: "This tender procedure shows that there is a need within the sector for a clear direction when it comes to sustainable public procurement. The LCA has enabled us to set that course."

Impetus

It turned out the sector was ready for the type of product-oriented innovation that Dijk and Van der Leeden had envisaged. Dijk: "It seems that, in the domain of sustainable public procurement, a supplier-based approach – with an emphasis on business practices – is giving way to a product-based approach. That makes sense – after all, a company's entire commercial management comes together in its product. With the LCA, you can provide insight into that process. I think that is what it is ultimately all about: finding that impetus that enables you to get the whole chain moving." And the result? Dijk: "Using the existing industry-wide LCA, we have managed to halve the environmental costs per concrete tile. For us, that is a sign that we are on the right track, as well as a signal to the chain that they need to change their business practices. We are getting there, there is no doubt about that, but at the same time, procurement will always be limited by budget constraints. We were pleasantly surprised by the results this time, but it could just as well have turned out very differently." ■

Life-cycle assessment
The life-cycle assessment (LCA) is a way to assess the total environmental impact of a product throughout its entire life cycle: from raw material extraction to processing, manufacture, distribution, use and disposal.

ROTTERDAM IS OPTING FOR DUTCH WOOD

Practical example
Commission: Sustainable wood sourced in the Netherlands for the Municipality of Rotterdam.

Special
Innovative products, the purchaser is an expert and collaboration in the true sense of the word.

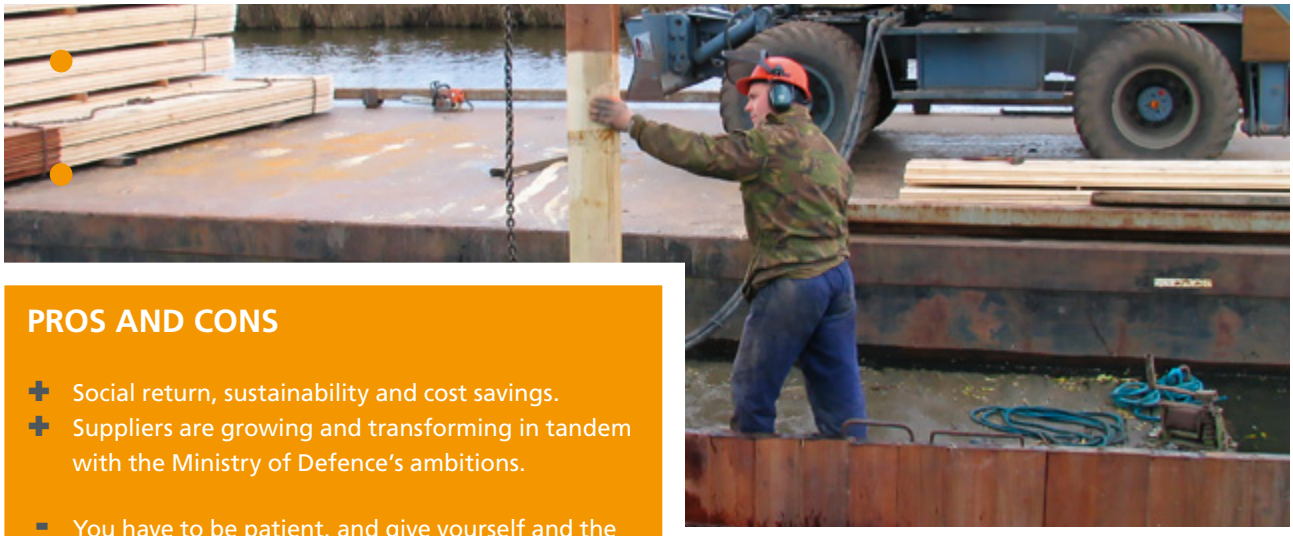
Contract term
2012-2016



In the past, Rotterdam used tropical hardwood in all its waterworks, as it is resistant to all types of weather conditions. However, the part of a structure that is under water will never rot. That means it is possible to do things differently. Thanks to a special adhesive technique, it is also possible to use cheaper Dutch softwood.

Action plan

Léon Dijk, Sustainability Advisor at the Municipality of Rotterdam, tells us that Rotterdam has a framework contract for wood with two suppliers. "That means we can always be assured of high-quality, sustainable and affordable wood." His colleague, Bill Engel, issued the call for tenders. "Those making tenders had to offer certified wood approved by TPAC (the Dutch government's Timber Procurement Assessment Committee), including softwood from Europe, and they had to submit a sustainability action plan. Van Swaay had been our supplier for many years already, which is why we asked them to tender as well." Tessa van Swaay, director of the timber company, spent many a night working into the small hours on the tender. "Supplying sustainable wood is such a natural part of our business that we did not have our story on paper yet," she says. "Having to draw up a sustainability action plan for the first time as part of the tender procedure made



PROS AND CONS

- ✚ Social return, sustainability and cost savings.
- ✚ Suppliers are growing and transforming in tandem with the Ministry of Defence's ambitions.

- ▪ You have to be patient, and give yourself and the market time to adjust.
- ▪ A long preparation process: drafting a vision, conducting a market consultation and drawing up a schedule.

me realise how special what we do actually is. Using a rock-solid technique called finger jointing, we join Dutch softwood and tropical hardwood (including waste hardwood). The jointing receives additional reinforcement using a waterproof adhesive that we have a patent on. This combination has enabled us to bring down the amount of tropical hardwood required by about 80%."

Long-term vision

"We see the cooperation with Van Swaay as a partnership," says Engel. "We are constantly looking for ways to make the process even more sustainable together." Van Swaay confirms this, saying their cooperation with Rotterdam is notably different from their relationship with other clients. "The city wanted to know who we are and came to look at our manufacturing processes. We are in touch with our clients within the city council almost every week so that we know what orders are coming up," Van Swaay says. "We work to a very tight schedule, planning anywhere up to six months in advance. Sometimes we have to work late in shifts so that we can be flexible in accommodating the client's wishes. We also meet every year for a performance review and to discuss the longer term." Dijk: "That's right. Our size makes us a serious discussion partner for market players. However, local municipalities are increasingly outsourcing the procurement of wood to contractors. Smaller municipalities simply do not have the capacity to do this themselves or to keep their expertise up-to-date. That means the lines of communication between them and producers tend to be longer, whereas sustainable public procurement requires a long-term vision and close communication. But setting up a professional ordering office also costs money. Local councils have to be willing to make that investment."

Partnership

According to Dijk, sustainable public procurement is ultimately about building up commitment on the part of suppliers, rather than being about ticking boxes on a checklist. "In my experience, producers are very willing to invest in sustainable business practices, but they do want their clients to set a clear course for them." Van Swaay nods in agreement: "Draw up clear, quantifiable specifications, formulate a vision on sustainability, keep bureaucratic red tape to a minimum and focus on partnership." ■

DUTCH WATER AUTHORITIES:

SUSTAINABILITY SHOULD BE THE TOP PRIORITY

There are a lot of gains to be made in the groundwork, road and hydraulic engineering sector (GWW) as far as sustainability is concerned. The Dutch Water Authorities (waterschappen), in particular, have ambitious goals: by 2020, they intend to sustainably produce at least 40% of the energy they consume themselves, and use the Sustainable Groundwork, Road and Hydraulic Engineering Approach (Aanpak Duurzaam GWW) for at least all major projects. "We see a lot of opportunities for energy and cost savings and sustainable innovation."

Taking advantage of opportunities

Frank Zaalberg is Sustainability Policy Advisor at the Rijnland Water Authority and coordinator of the Water Authorities Acceleration Task Force for the Implementation of the Sustainable Groundwork, Road and Hydraulic Engineering Approach. This group of representatives from the Dutch Water Authorities meets every three months to share their knowledge and experiences of working with the Sustainable Groundwork, Road and Hydraulic Engineering Approach. Zaalberg and his colleagues feel that sustainability should be the top priority during the planning stage and in the building, maintenance and use of new and existing hydraulic infrastructure. "We spend about two billion euros every year on projects involving water management and water treatment – projects that have a huge impact on sustainability. The Sustainable Groundwork, Road and Hydraulic Engineering Approach enables us to identify and take advantage of opportunities to improve sustainability, from reducing transport movements to the reuse of contaminated soil. The projects initiated by the Water Boards for the Rivierenland, Hunze & Aa's and Rijnland districts – which also form part of the task force – are perfect examples of this." ■

Practical examples
The members of the Water Authorities task force have gained experience with the Sustainable Groundwork, Road and Hydraulic Engineering Approach through pilot projects.

Since
2014/2015



PROS AND CONS

+ Thinking outside the box.
+ It stimulates creative thinking in projects.

- The Sustainable Groundwork, Road and Hydraulic Engineering Approach's "full toolbox" can be intimidating at first sight.
- During the learning phase it takes longer to get projects off the ground.

THE SUSTAINABLE GROUNDWORK, ROAD AND HYDRAULIC ENGINEERING APPROACH UNCOVERS OPPORTUNITIES

Sustainability is one of the Rivierenland Water Authority's key priorities. The Sustainable Groundwork, Road and Hydraulic Engineering Approach enables the organisation to identify the sustainability aspects of a project right from the planning phase, and uncover any potential opportunities. And it works.

Broad experience

The Rivierenland management wanted to ensure there was sustainability throughout the entire organisation. "Sustainability was primarily the domain of a small group of specialists from outside the Water Authority," says Bram van der Beek, who is responsible for the implementation of the Sustainable Groundwork, Road and Hydraulic Engineering Approach in the Rivierenland district. "To take things to the next level, we turned the

implementation into a specific task." Van der Beek launched a range of different specific projects to this end. "You need the practical dimension so that you can fine-tune the theory. And the opposite is true, too – you need to ensure that expertise and experience with the Sustainable Groundwork, Road and Hydraulic Engineering Approach goes beyond the project level alone. That is why we selected six pilot projects in different parts of the organisation, enabling us to gain broad practical experience with the Sustainable Groundwork, Road and Hydraulic Engineering Approach."

Saving time and money

Arjen de Gelder was project leader for one of those pilot projects, the "Integrated Approach" for the Hoge Boezem area in the Alblasserwaard region near Kinderdijk. "This project had three objectives: improving water safety, water quality, and the natural values of the area. Ordinarily we would have launched three separate projects to achieve this, with potential for some overlap further down the line, at the practical stage. But the integrated approach to the project, and the use of the Context Appraiser (Omgevingswijzer), enabled us to identify potential gains – including in the domain of sustainability – right from the beginning. Take the dredged material that is deposited during excavation work, for example. Normally we would have to have that removed first. Now, we are able to reap the rewards of immediate reuse: no transport movements are needed, and we can use the dredged material for our own project. It's a win-win situation." Van der Beek adds: "The Context Appraiser identifies opportunities for sustainability in the first stage of a project, which can then be compared with the organisation's objectives in very concrete terms. That makes it easier for management to make choices. And I think the first step towards greater sustainability is to show that there are, indeed, different options to choose between – and to get clear insight into what those options are and what costs are associated with them." And what is the impact of the Sustainable Groundwork, Road and Hydraulic Engineering Approach on project finance? Van der Beek: "The impact is huge! Because the external parties are involved right from the start, they are able to give an estimate for the entire project straight away, and come up with ways to combine activities. That ends up saving a lot of time and money." ■



Arjen de Gelder and Bram van der Beek

AN APPROACH CENTRED ON THE COLLECTIVE INTEREST

The Water Authority (waterschap) for the Hunze & Aa's district wants to make the design, management and maintenance of its water infrastructure more sustainable. The Sustainable Groundwork, Road and Hydraulic Engineering Approach is perfect for this. "This method confronts you with the impact of your actions, prompting the development of new, integrated and well-considered solutions."

Limiting factors

The Hunze & Aa's Water Board formulated its sustainability ambitions as early as 2010: more sustainable water management with a strong focus on carbon-emission reduction, energy savings and energy generation. Strategic Policy Advisor Gerard Sterk explains how they formulated concrete organisational objectives based on the core themes of the Paris climate agreement: energy, sustainable public procurement, mobility and waste material. "It turned out that our objectives for sustainable procurement and construction were not sufficiently clearly-defined, as the guidelines were too general," says Sterk. The Sustainable Groundwork, Road and Hydraulic Engineering Approach ended up providing a solution. Hunze & Aa's set to work, supported by the board and the management. Though using this method did take some getting used to at first. "We are very keen on getting things done quickly," Sterk says. "But if you want to work in an integrated way, be innovative and take a long-term approach, you need to spend enough time on it, and get a clear idea of the various challenges involved and how they might be interrelated. As part of this process, you find yourself faced with a lot of unknowns, and you need to do a lot of research and get comfortable with a whole new way of working." Hunze & Aa's decided to run a multidisciplinary pilot project – an initiative which could not under normal circumstances have been implemented in an integrated way. Planning Policy Officer Boy de Vries, who headed up the project, explains: "Creating nature-friendly river banks can be combined very well with other activities, like dredging or replacing sheet piling. Before, I could never manage to combine different activities like that within our organisation, as I could not get schedules and budgets to line up. When we approached the project using the Sustainable Groundwork, Road and Hydraulic Engineering Approach (using the Context Appraiser, in particular) and let go of all the limiting factors, all of a sudden we found it was possible to bring these things together after all."

Long-term approach

The Sustainable Groundwork, Road and Hydraulic Engineering Approach has made Sterk and De Vries more aware of cause and



effect within regional processes. “And it is easier to identify opportunities,” says Sterk. “Often these are opportunities that make perfect sense, but that only become visible once you dare to let go of traditional patterns, look beyond the departmental agenda and think out of the box. Only by doing that, and taking a long-term approach, will you truly be able to get ahead. Oftentimes, this will result in financial gains as well. Hunze and Aa’s is now looking for a contractor to implement the entire plan. Of course, candidates do need to meet sustainability criteria, but we have left some leeway there, as we want to create enough scope for creativity and innovation from the market, rather than being too prescriptive. That is why we also plan to conduct a market consultation in the future, and we are very open to advice.” ■

APPEALING TO PEOPLE’S CREATIVITY

The Rijnland Water Authority used the Sustainable Groundwork, Road and Hydraulic Engineering Approach to set sustainability targets right at the initial phase of a project – a process which resulted in over a hundred ideas of ways to improve sustainability, and ended up yielding eleven achievable measures. “It is truly special how much energy is freed-up when you appeal to people’s creativity.”

Awareness and inspiration

The Rijnland Water Authority used the Sustainable Groundwork, Road and Hydraulic Engineering Approach right from the start of its “Haarlemmermeer Peak Flow Storage Facility” project (Piekberging Haarlemmermeer), aimed at creating a temporary storage facility for 1 million m^3 of water in the south-western part of the Haarlemmermeer polder. Zaalberg: “The project team did not want to wait until the approach had been rolled out across the organisation, but set to work straight away. Because we already knew where the storage facility was to be constructed, we skipped the Context Appraiser and took the Ambition Web (Ambitieweb) as our starting point. We sat down with all the parties involved and brainstormed about the question “What, in terms of sustainability, can we do where this project is concerned?” This resulted in us establishing of a lot of great ways to improve sustainability. We want others to take this as an example, and realise that the approach is not a straitjacket, but a tool for generating awareness and inspiration.”

> “It is truly special just how much energy is freed up when you appeal to people’s creativity.”

Quick wins

The Sustainable Groundwork, Road and Hydraulic Engineering Approach is a set of guidelines based on which project teams can develop their own procedures. “For example, we organised a workshop for project team members and advisors focused on the seven topics from the Ambition Web,” Zaalberg recounts. “This resulted in 106 ideas for sustainability measures, which we then assessed on the basis of the Ambition Web and the chance of success. It turned out that the themes Energy & Climate, Materials & Raw Materials and Living Environment were the ones where the most gains could be made with this project.” Zaalberg and his colleagues also translated the sustainability measures into quick wins, studies and adjustments in scope.

Zaalberg: “The quick wins can be implemented straight away; the other measures need to be discussed in greater detail due to the legal, technical and environmental implications. The peak-flow storage facility presents a number of great opportunities, such as the construction of nature-friendly river banks, increased biodiversity and alternative crops, optimisation with a long service life and energy generation when water is let in. We are not going to start with this type of energy generation immediately, though – we are going to hold out for the findings from a similar project. I’m saying that to point out that it is better to do a number of things well by setting a clear focus than to get lost in wanting to do everything right at once and setting the bar unrealistically high.” ■

The Sustainable Groundwork, Road and Hydraulic Engineering Approach
The Sustainable Groundwork, Road and Hydraulic Engineering Approach offers practical tools for the implementation of sustainability in civil engineering projects and linking it to organisational objectives.

The Context Appraiser
The Context Appraiser (Omgevingswijzer) provides insight into the social, ecological and economic opportunities and risks using a questionnaire.

The Ambition Web
The Ambition Web (Ambition Web) is a tool that helps organisations identify their ambitions, draw up criteria and monitor their progress in working towards achieving those ambitions.


Frank Zaalberg

RADBOUDUMC IS OPTING FOR AN INNOVATIVE APPROACH TO TENDERING

Radboud University Medical Centre needed new company clothing for its 5,500 healthcare professionals, and found itself at a crossroads when the time came to issue an invitation for tenders: keep doing things as before, or switch to a completely new concept? They opted for the latter. Radboudumc wanted an innovative, durable clothing line with a concept that chimes with its strategic ambitions for sustainability. The tender method that had been used up until this point was jettisoned as well. The switch to the Best Value Procurement method resulted not only in a new clothing concept using sustainable fabrics, but also changed the underlying financial model. Market leader De Berkel was awarded the tender. Since 1 January 2016, the company has had responsibility for providing the hospital with the clothing it needs.

Practical example
Commission: supplying white uniforms for 5,500 users and developing a new clothing concept that contributes to sustainable, innovative and affordable healthcare.

Special
The Best Value Procurement (BVP) method, which involves tenderers competing on the basis of quality.

Contract term
2016 – 2021, with the option of three extensions for a maximum period of one year each

How did you award this tender?

"In the traditional approach to tendering, the contracting authority will set a whole slew of criteria," says Alex van der Putten, Supply Chain Management Manager at Radboudumc. "That essentially means you play the role of an expert, as you think you know what you need and what is possible. Not only does



Erik Bruggers and Alex van der Putten

this take months of preparation, but you also end up ruling out potential solutions. And market parties end up simply ticking the boxes – there is little scope for them to bring in their own ideas. We decided to turn that process on its head. Say your end goal is the summit of a mountain. How you get there, whether you walk or fly or what have you, is simply not important. Using that approach, we looked at our goal: awarding a contract for new company clothing using a sustainable, innovative and affordable concept. We left it up to the market to devise the solution. This approach is referred to as Best Value Procurement. It is a fairly new procurement method that involves looking for the highest value at the lowest price."

What requirements does the Best Value Procurement (BVP) place on tenderers?

Van der Putten: "With BVP, the contracting authority will describe the end goal without prescribing in detail how the market is to achieve it. After all, they are the expert in their own area; they have the best solutions. Our invitation for tenders was half an A4 page long. We set only a minimum amount of criteria, because with each additional requirement you effectively limit the contenders' ability to bring in their own input. In the first instance, market players will submit a general tender, which will include their account of why they will be able to deliver on their promise (the so-called "performance substantiation"), the risk file and a file outlining the opportunities. They need to summarise their concept in a maximum of two A4 pages per file. That forces them to make clear decisions and set themselves apart from their competitors. In the BVP approach, quality takes priority over price, being weighted at a minimum of 75%. However, what a company offers must not exceed the maximum budget. In the evaluation phase, there are interviews in which two representatives from the company submitting the tender discuss how the plan will be implemented in practice. That means an action plan will be on the table even before the contract is signed."

What was this approach like on the other side of the fence, for the enterprises submitting tenders?

"We saw the hospital's invitation for tenders as an opportunity to show them what we had to offer," says Erik Bruggers, operational manager at De Berkel. "BVP really allows us to showcase our expertise. We were not quite as familiar yet with how we had to submit a tender according to this method. Thankfully, we were not the only ones. Radboudumc already had some experience with this, and invited all market players to a workshop about BVP. They wanted to prevent anyone from being excluded because they did not understand the rules.

How did you take things from there?

Bruggers: "We got an external BVP expert involved for this tender. They helped us formulate the plan in a working group made up of De Berkel employees. More than anything, BVP is very time-consuming. The working group met for consultations to develop each file in detail. And now that De Berkel has been awarded the tender, three of us still meet with Radboudumc every two weeks to discuss which clothing – produced in good working conditions in Moldavia and Ukraine – they are going to decide on. Before, we would long ago have supplied the clothing



at this point, but we are continuing to meet and discuss things. It really is a partnership aimed at achieving a clothing concept that is exactly right."

Hang on a second. There is a contract, but there isn't any clothing yet. Why not?

Van der Putten: "Right now, 25 employees from Radboudumc are testing different garments for fit, fabric, colour and comfort. De Berkel has drawn up a modular price list. After a year, we will make a definitive choice.

> "BVP means using a case-by-case approach, which both parties benefit from"

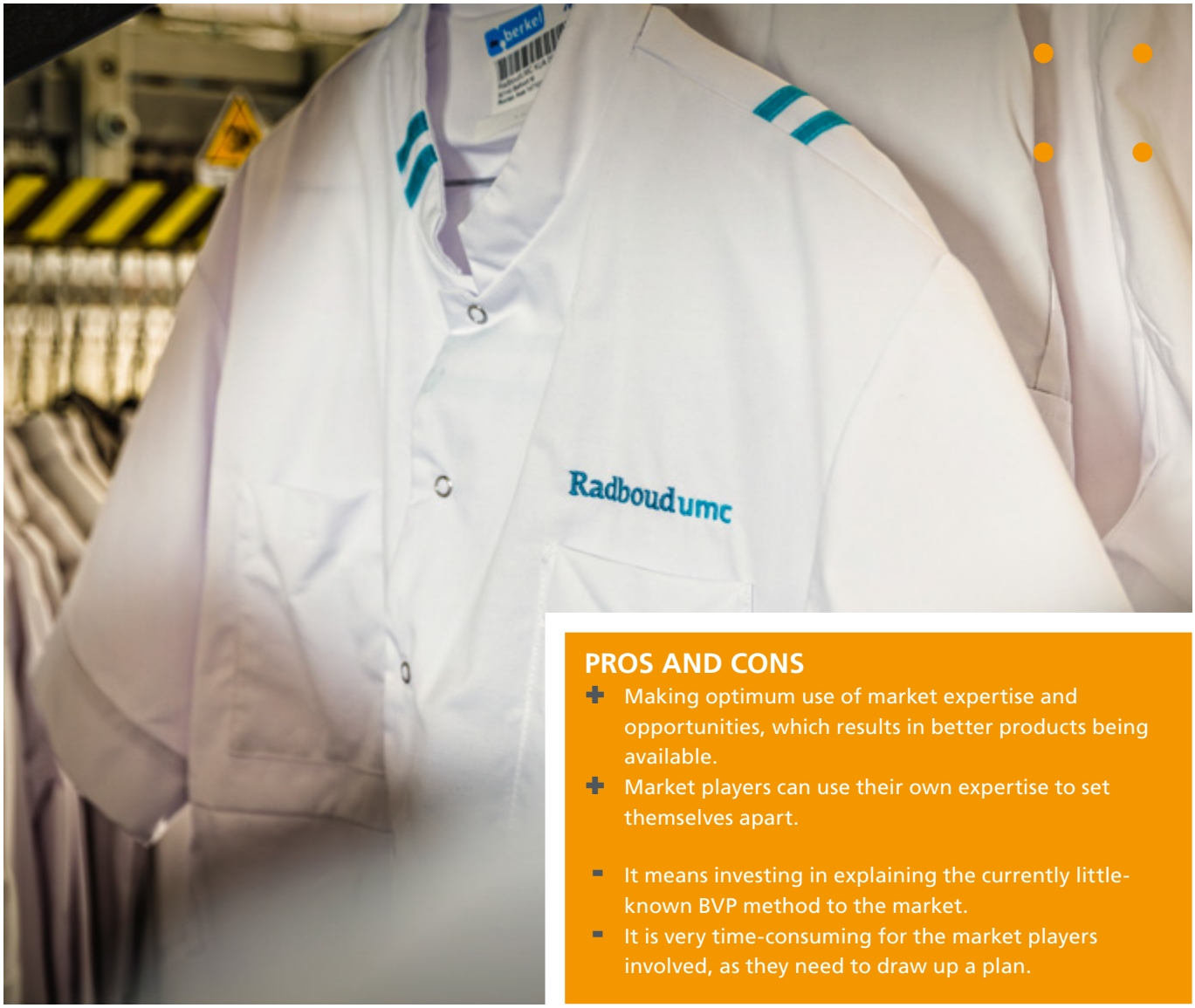
We do not know the precise costs yet, but we do know it will be a sustainable solution at an affordable price. As part of the contract, De Berkel guarantees that the clothing will last 110 washes. It includes customary fines, but also bonuses. We feel it is only logical to reward them if their performance ends up exceeding our expectations."

How did De Berkel set itself apart from its competitors?

Van der Putten: "De Berkel was not the cheapest option, but was able to set itself apart by the quality it offered. And that is what we wanted: the highest quality at the best price. For us, the fabric was one of the most important elements, in particular how comfortable it was going to be to wear. Where the other tenderers charged more for using a sustainable fabric, De Berkel was the only one to already include that in their basic proposition. That really made them stand out, along with their way of looking for the best fabric in tandem with the user, and testing it before making a definitive choice. Radboudumc will be the first hospital in the Netherlands to opt for sustainable fabric on this scale. By using the fabric we will probably end up going with, we will be achieving a 98% reduction in water and land use, and energy savings of nearly 50%. In concrete terms, that means saving 100 million litres of water – the equivalent of 40 Olympic swimming pools. It is a very exciting project, as all eyes are on us."

And what about the new concept?

Van der Putten: "We will be paying so we will have enough clothing available for every healthcare professional. This way of organising the process was presented as one of the options in the invitation for tenders. It shifts responsibilities in a way that is very much in line with the transition towards a circular economy. The market is still conservative. Some players opted for a system that involved being paid for each item of clothing that is supplied. This option is also very exciting for De Berkel: will the manufacturer deliver on the quality they promised? Will the laundrette wash the clothing at the right temperature? If it turns out the clothing only lasts for 100 washes, De Berkel will have a problem. We also share responsibility for ensuring that worn-out clothing gets a second life. One of the options is reusing the fibres, for example in insulation material or thermal blankets."



PROS AND CONS

- ✚ Making optimum use of market expertise and opportunities, which results in better products being available.
- ✚ Market players can use their own expertise to set themselves apart.

- ▪ It means investing in explaining the currently little-known BVP method to the market.
- ▪ It is very time-consuming for the market players involved, as they need to draw up a plan.

Did using the BVP method turn out to be better or worse than you had anticipated?

Van der Putten: "It was the third time that Radboudumc used this method. Tendering using the BVP method requires trust in your suppliers, and openness and honesty from everyone involved. You are essentially looking for a long-term partnership. We did need to invest more time in explaining things to the market, but we are confident this will pay off in the long run. BVP means using a case-by-case approach, which is something that both parties stand to benefit from." Bruggers adds: "For De Berkel, participating in a BVP tender procedure was a fantastic learning experience. We did need to get an external expert involved. Whether the project is a success is something we have yet to discover. We won't know that until after the contract term." ■

OUTSOURCING CATERING TO A COMPANY

OPERATING UNDER THE DUTCH SOCIAL SUPPORT ACT – AN EXCITING POSSIBILITY

The central hallway of the building that houses both the Dutch Ministry of Health, Welfare and Sport (VWS) and the Ministry of Social Affairs and Employment (SZW) is home to Petit Café De Resident – a special restaurant run almost entirely by people with an occupational disability. Ipse De Bruggen Maatwerk, a company that helps those who fall under the Dutch Social Support Act (Wet maatschappelijke ondersteuning, or WMO) to participate in society, took on the challenge and signed a concession agreement for a three-year period. "So much more is possible than you might think."

Practical example
Onsite catering is fully contracted out to a company that works with people that fall under the Dutch Social Support Act, giving people with an occupational disability the opportunity to fully participate in society

Special
A three-year concession with the option of further extension.

Contract term
2015 – 2018

Exceptional request

Brenda Zech and Henk Jaap Buikema, from the facilities service provider FMHaaglanden, supervised the establishment of this partnership with Ipse De Bruggen Maatwerk. Buikema looks back on the process: "The Ministry of Social Affairs and Employment wanted to put a company operating under the Social Support Act in charge of the restaurant, as they were keen to give people with an occupational disability the opportunity to participate in society. It was an exceptional request, and for us it was a first." So where do you start when you are faced with a request like that? Zech: "We considered restricting ourselves to sheltered workshops when we were looking for



the right company for the job. But after some exploratory meetings with the market players it soon became apparent that they would not be able to cope with the level we were looking for. Not many enterprises are capable yet of undertaking a contract of this sort in terms of the volume and expertise it demands. We were faced with the challenge of coming up with a solution that both addressed the Ministry's wish to create an opportunity for people who fall under the Social Support Act, and delivered the services on a semi-commercial basis – which is one of the requirements in the government's so-called "category plan" for catering services. In consultation with the Catering Category Manager, we came to the conclusion that a concession would be the most suitable option."

Professional look

Zech and Buikema asked a lot of the market parties. An additional factor that complicated things was that a concession was involved – in other words, both the right of exploitation and the risks arising from operating the concession would be transferred to the concessionaire.

So how did the companies that they approached respond? "Ultimately, only Ipse De Bruggen Maatwerk was able to meet the high requirements we had," said Buikema. "And they were willing to take the plunge and take on that challenge." Zech explains that, because the restaurant is located in the public area of the building, it also needed to look representative and professional. "That means the service needed to be first-class, the food needed to be high-quality and the menu needed to be varied, and preferably organic. Based on all these requirements, Ipse De Bruggen drew up a business plan – one that satisfied all our requirements."

Staying competitive

Michel Latuharhary is Back Office Manager at Ipse De Bruggen Maatwerk. It is clear that he takes great pride in Petit Café De Resident. "What we are doing here really is special," he beams. "Fourteen people, all with an occupational disability, are given the opportunity to participate in society, while at the same time we are succeeding in keeping



a whole restaurant going. That requires a lot of work of our people. Because in addition to supervising our clients who have mental, physical or behavioural disabilities, we also need to keep our heads above water. We are competing with the company restaurant and the other cafes and restaurants in the vicinity of the building. Every week I print out a report to keep track of how we are doing. We are keeping a close eye on what we are offering, and are constantly changing it to keep pace with the market demand."

Overwhelming feedback

De Resident has had high visitor numbers ever since it opened its doors. The guests are clearly very enthusiastic about the whole concept, much to Latuharhary's delight: "Visitors compliment our clients, and really take the time for them. The feedback on our Facebook page, too, has been overwhelming. You do need to have time when you visit the restaurant. You should expect things to take slightly longer here, and that they may not always go completely smoothly right off the bat. Visitors know that from the outset, which means they are okay with it. Something I am really happy about is that one of our clients has now started working in the canteen of catering company Albron. Of course, "something like that is not really the end goal – the idea behind De Resident is to provide a sheltered workplace, where our clients can spend their day in a meaningful way. But if the opportunity presents itself, we can work together with Albron in this way, which is a beautiful thing."

For-profit sustainable business practices

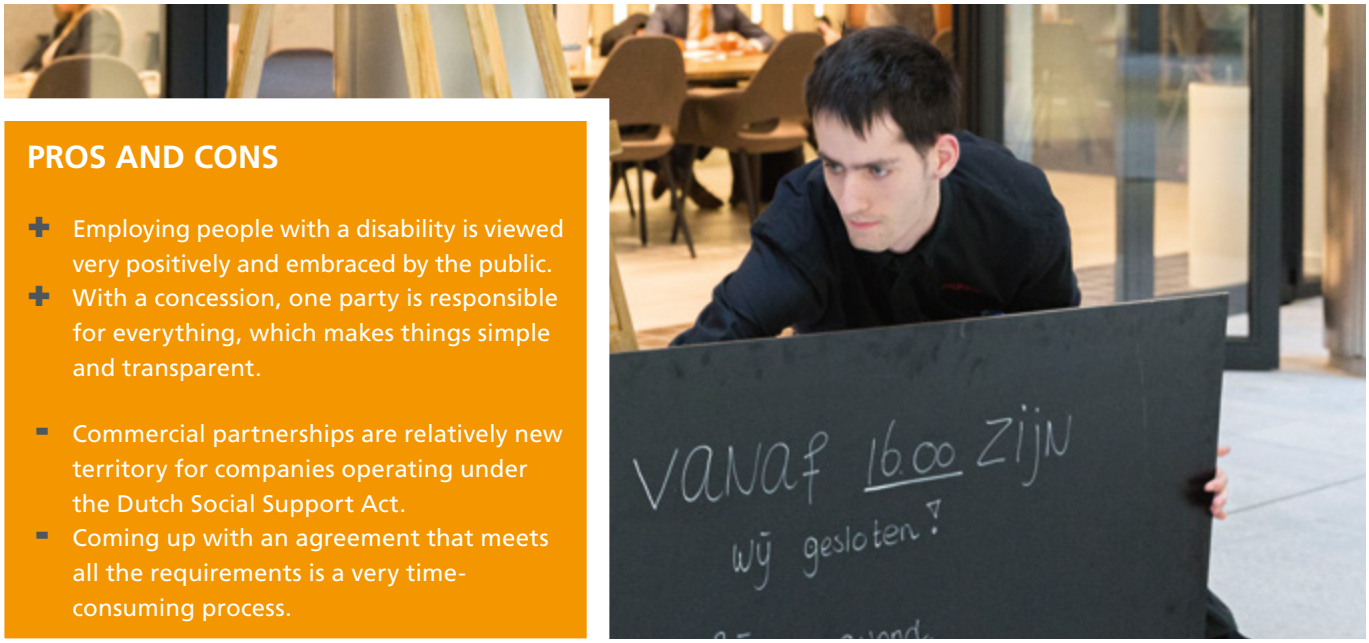
What had seemed like it was going to be an intensive process turned out not to be quite as hard as those involved had been expecting – partly because of the restaurant doing so well. Zech: "You have to take into account the possibility that things might eventually not go well at all. In that case, what do you do? Do you intervene, and if so, how? The contract is for a three-year period. You want it to be a success for the sake of everyone involved. And luckily, so far it has been." Latuharhary: "Even though we are operating under the banner of the Social Support Act, we are a for-profit company, and we are always looking for ways to improve. For example, we are currently looking into the possibility of switching from paper notepads to handheld tablets for taking people's orders. That would be much more efficient. Although unlike normal caterers, for us efficiency is not a goal in and of itself. After all, we view everything we do and make as an activity for our clients to be involved in. For example, we will never purchase pre-sliced vegetables, and we do not send our laundry out. All our products and services are sustainable, but we do see commercial opportunities. For example, we sell craftwork, biscuits and jam made by our clients at various Ipse locations. And in the run-up to the Dutch Sinterklaas holiday on 5 December, our homemade chocolate letters were a real hit."

> “What we are doing here is really special: it is both a commercial restaurant and a place that offers daytime activities for people with a disability”

Advice for colleagues

So far, the concession agreement with Ipse De Bruggen Maatwerk has been a huge success. What can others learn from the initiative? Buikema: “In my view, the most important lessons are: do your research, think business and, above all, do not be scared. Enter into a dialogue with companies operating under the Social Support Act, and let them tell you what the options are. So much more is possible than you might think.”

Latuharhary agrees with Buikema: “The most important thing is to involve representatives from the healthcare sector at an early stage. They will be able to help you identify the possibilities and limitations. And be patient. Entering into a collaboration with a company working with people that fall under the Social Support Art requires a culture change, and that takes time.” Zech also has some practical advice: “Also look at the location. Is it a good fit for your company’s situation? Try to be as clear and precise as possible, even in the invitation for tenders, about the expectations, costs and results. And agree in advance when you will sit down together. We established straight away how often, during the next three years, Ipse would be reporting back to us, and when we would be reviewing how things have been going.” ■



PROS AND CONS

- \+ Employing people with a disability is viewed very positively and embraced by the public.
- \+ With a concession, one party is responsible for everything, which makes things simple and transparent.
- \- Commercial partnerships are relatively new territory for companies operating under the Dutch Social Support Act.
- \- Coming up with an agreement that meets all the requirements is a very time-consuming process.

IN TEN YEARS' TIME, CIRCULAR PROCUREMENT WILL BE THE STANDARD

Practical example
Call for tenders for the purchase of the IT equipment for 1,000 workstations in the province of Utrecht.

Special
The IT equipment is purchased through a circular procurement pilot.

Since
April 2015

The province of Utrecht was one of the first signatories to the so-called Green Deal on Circular Procurement. On behalf of the Economic Board Utrecht, it is promoting the circular economy in the region, having agreed to the condition that it will be spending a minimum of 10% of the total procurement budget on circular procurement by 2020. "The purely linear economy is becoming a thing of the past."

Completely new business models

Purchaser Sandra Koolsbergen and Maarten Rauws, a solicitor specialising in tender procedures, both daily work on the question of how they can make circular procurement a reality in the province of Utrecht. "It starts with the definition of the term," says Koolsbergen. "The essence of circular procurement is that, as a purchaser, I make sure that the producer is able to reuse the products created from the materials it supplied in a new cycle at the end of their useful life. But right now, that is not possible for many of the products we purchase. What if we manage to procure a product a circular process of production is only partially possible – does that count? And with services, things can get even trickier: how can a consultancy service be purchased in a circular way?" "What further complicates things is that circular procurement also has legal implications," Rauws adds. "Before, you purchased a product and became the legal owner; now you are a user, purchasing only the functionality. That makes completely different demands on the market. We will have to adjust our processes accordingly, and approach



Maarten Rauws

What is circular procurement?
Circular procurement is focused on preserving the value of products and materials as much as possible. The use of this procurement method stimulates the production, use and reuse of circular products and services and makes it possible to join forces with producers, suppliers, purchasers and processors to achieve the transition towards a circular economy.

procurement from a different angle. Ultimately it will result in completely new business models. That is easier to achieve with some products than with others."

Circular procurement ambassadors

But according to Koolsbergen, the organisation itself also is not quite ready yet. "The province of Utrecht's circular ambitions partly stemmed from the policy objective of providing a stimulus for SMEs and the local economy and promoting innovation and sustainability. However, there is not enough awareness of the topic within the organisation yet, and procurement needs to be recognised more strongly as being a tool for promoting circularity and sustainability. We are the ambassadors for circular procurement." Koolsbergen and Rauws are trying to get colleagues onside, and have found that the best way to get people on board is with concrete projects – for example, the request for 1,000 new workstations that Koolsbergen received from the IT department in early

2015. It was a great opportunity to get some experience with circular procurement, even if it would almost certainly result in a longer procedure: circular procurement tends to take longer due to the high number of unknown factors that are involved.

Tailor-made solutions

Rauws and Koolsbergen decided that some market research would be a good way to kick off the IT project. It soon turned out that they had the option of joining forces with the Directorate-General of Public Works and Water Management (Rijkswaterstaat), which was going through the same process. They took part in workshops on circular procurement which yielded a lot of valuable insights that they were then able to incorporate in a formal market consultation via TenderNed. Rauws looks back on the process: "For this market consultation, we asked market players to really get involved and come up with ideas. Fewer enterprises responded than we had hoped, which is unfortunate; after all, we had been counting on the market's willingness to help us make the circular economy a reality. And we wanted to use this pilot to develop a specific evaluation method that would be relatively easy to apply across-the-board to all circular calls for tenders."

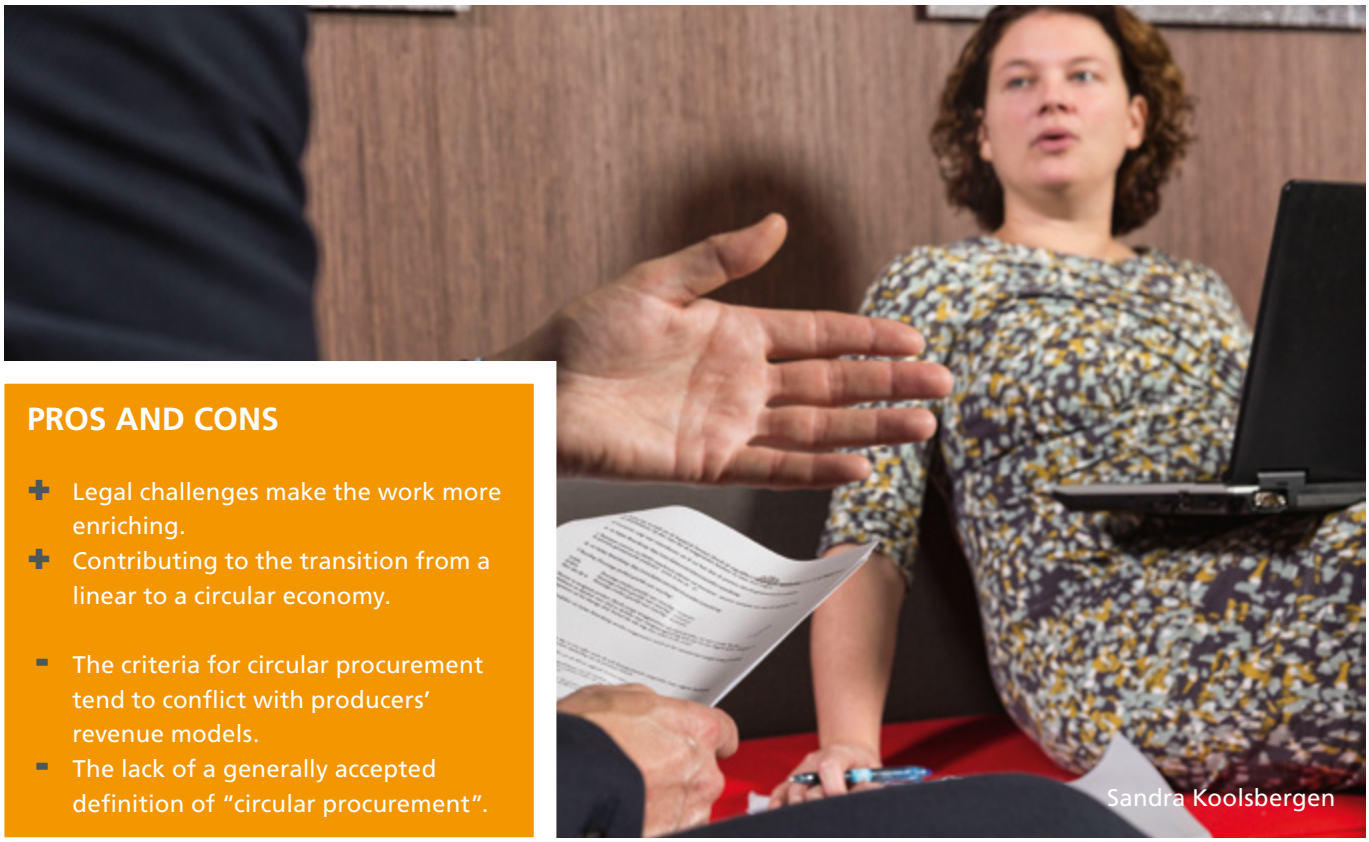
> "The market and the government need each other if the circular economy is going to become a reality."

Conflict with traditional revenue models

The province of Utrecht asked market parties how they would feel about evaluating themselves according to a set of objective award criteria for circular procurement agreed by them and the province in advance. Rauws explains: "Criteria pertaining to the phases before, during and after their product's use, as well as to their role in supply chain management: "what are you doing to create value and reduce waste in the chain? The parties had a hard time answering the questions and, as it turned out, made only a very limited contribution to developing the different sub-award criteria for circular procurement in greater detail." Koolsbergen: "Another thing that comes into play is that, when you are purchasing IT equipment, you are always doing business with intermediaries. This process reveals that, right now, the criteria for circular procurement often conflict with producers' and suppliers' revenue models." Rauws adds: "Take having a long lifespan, for example – one of the criteria in circular procurement. What does a producer's revenue model look like if he makes very robust products that hardly ever break? It may mean having to switch to a different model whereby the government agency using the product, rather than acquiring the legal ownership of the product, now has to pay for the use of it instead."

A whole world to be gained

There is still a whole world to be gained where circular procurement is concerned.



Sandra Koolsbergen

PROS AND CONS

- ✚ Legal challenges make the work more enriching.
- ✚ Contributing to the transition from a linear to a circular economy.

- ▪ The criteria for circular procurement tend to conflict with producers' revenue models.
- ▪ The lack of a generally accepted definition of "circular procurement".

Do Koolsbergen and Rauws have any advice? Koolsbergen: "If circular procurement is to become a success, it is essential that we share our expertise and learn from each other's mistakes and successes." Rauws nods in agreement, adding: "Also, the new Procurement Act makes it easier to start a competitive dialogue. Take advantage of this wherever possible. If the market indicates it is unable or unwilling to comply with our circular criteria, we need to figure out the best way to take things forward from there. Our objective is still to be spending a minimum of 10% of our total procurement budget on circular products and services by 2020, and that figure is set to increase in the future. I think that, in ten years' time, circular procurement will be the standard. We think that the purely linear economy is becoming a thing of the past." Koolsbergen and Rauws also feel that dialogue with the market is essential. "When we started implementing circular procurement in the municipalities of Utrecht, Amersfoort and Woerden," Rauws recalls, "we wanted to develop one overarching evaluation method. We tried to develop this general model in greater detail using a market consultation, and make it more specific to individual types of contract using input from the market. We learned from the feedback that this was not feasible, and that circular procurement requires a case-by-case approach. However, it was still a valuable learning experience, as it gave us feedback from market players that turned out to be extremely useful for our call for tenders. In short, the market and the government need each other if the circular economy is going to become a reality." ■

COLOPHON

Editors
Machteld in ’t Hout
Maaike Belder (RadboudUMC)

Editor in chief
Rosa Peek

Photo credits
Louis Meulstee
Kick Smeets (Sharon Dijksma)
Media Centrum Defensie (Defensie)
Gemeente Rotterdam (Pex Langenberg)
Van Swaay (sustainable wood)

Design and production
Xerox/OBT, The Hague

PIANOo, the Dutch Public Procurement Expertise Centre
www.pianoo.nl | info@pianoo.nl



Want to know more about sustainable public procurement?
PIANOo will help you on your way. At pianoo.nl you will find all the information you need to implement sustainable public procurement practices: Thematic dossiers | Meetings | Helpdesk | Practical examples | Product groups | Environmental criteria | SPP in the procurement process | Developments

PIANOo – The central contact point for sustainable public procurement
www.pianoo.nl