

Pathways to circular procurement

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One of the ways we can accelerate the transition to a circular economy is to change our procurement practices. Programmes like ProCirc are running pilot projects to test the waters. Joan Prummel and Cuno van Geet, two experts on the subject working at Rijkswaterstaat, part of the Dutch Ministry of Infrastructure and Water Management, explain the benefits of circular procurement and how to get started.

Keep it in the loop

Our traditional economy is linear. We make, use and discard products when we're done with them. Value is created by selling as many products as possible. However, this system is unsustainable. It's depleting our planet's finite resources, creating vast quantities of waste and wreaking havoc on our environment.

A circular economy, on the other hand, tries to keep these resources in circulation and extract maximum value from them. Instead of introducing a new raw material every time we need something, a circular economy recycles, reuses, repairs or remanufactures these materials. Instead of exiting as waste, they're kept in the loop.

'Finally, people all over the world are accepting that climate change is caused by humans and can be solved by humans,' Prummel says. 'The circular economy gives people the tools and a system to address the issue.' Circular procurement is such a tool. 'Circular procurement is nothing more or less than using procurement to stimulate the circular economy.'

Changing your mindset

The importance of reusing materials cannot be understated. 'Practically everything in circularity is about reducing carbon emissions and using fewer materials,' Prummel says. 'Research has shown that 40% to 60% of carbon emissions is related to materials.' That's why procurement has such an important role to play. The good news for procurement officers is that circularity is not nearly as daunting as it may seem (see 'Circular Procurement Guide' box).

Start with small steps. Procurement officers should ask themselves what can be recycled that isn't already being recycled – and whether they can start using recycled products themselves. Essentially, circular procurement means adopting a different mindset. 'Circular procurement is still a form of procurement,' Prummel says. 'Your task as a procurer is still to buy the right products for the right reasons for the right price.' Prummel likes to use an example from Dutch architect Thomas Rau to illustrate his point.

In his presentations, Rau would ask the audience how many of them had been to London or Rome lately. After a show of hands, he would then ask how many of them travelled by airplane. Same hands. He would then ask how many bought an airplane to get there. 'It's understood that you're not going to buy a plane for a one-hour flight. You're going to hire a seat in a plane,' Prummel explains.

The point of the story is that procurement officers aren't accustomed to applying the principle of the plane seat to their product group yet. But why should that be any different for furniture in an organisation, for example, which can also be leased or bought second-hand? 'They'll still end up with a contract for chairs, nothing is changing,' says Prummel. 'What's changing is knowing why you're doing something.'

Working together

Organisations can also save money by identifying needs better. 'When the time came to buy new desks, procurers used to buy 50 of them if the organisation had 50 employees,' Prummel says. 'But you could ask yourself, how many of these people work in the office at the same time. If the answer is 30, then you don't need 50 desks.'

Moreover, these desks can have a residual value that's higher than the waste value if they're reused yet again. 'If materials make a circle in the supply chain from production to reuse,' says Prummel, 'then finance should make the same circle, but then in reverse.'

For this to work – that is, for everything in the supply chain to have value in the next step of the chain – everyone in the chain has to be on board. 'The chain can be complex, involving suppliers, sub-suppliers, designers and recycling facilities,' says Van Geet. 'All the partners have to build circularity into their processes. Real system change will only come if the partners in the chain start looking together at how to close the loop.'

ProCirc: creating European communities of practice

The idea behind ProCirc is to test the waters for circular procurement through a series of pilot projects in northern European countries (see 'Interreg North Sea Region ProCirc' box). ProCirc wants to build a network of organisations using circular procurement and find out what works and where, and share this information with the members. ProCirc is using the information and experiences to develop good practices and guidance for other pilot projects, a circular procurement toolbox, a business programme and access to expert task forces.

ProCirc evolved from Green Deal Circular Procurement, according to Van Geet, an initiative consisting of Kirkman Company, MVO Nederland, Nevi, Rijkswaterstaat, PIANOo and Circle Economy. ProCirc expanded the geographical scope of the Green Deal to include six northern European countries. 'Now that we're connected with countries around the North Sea region, we'll be able to compare notes,' Van Geet says. 'We're working in the same sectors with the same kinds of products, so it will be interesting to see how circular procurement differs in Flanders, Scotland and Denmark, for example.'

Procurement officers in these countries have one thing in common, though. 'Procurement is still an isolated profession. Procurers generally don't connect with other procurers or knowledge centres,' says Van Geet. 'With ProCirc, we're trying to overcome this problem by building a platform where they can interact and learn from each other.' The communities of practice created through ProCirc are the result of procurers conducting pilot projects and sharing their findings. It's a place where they can find common ground.

‘Another important part of ProCirc is dissemination outside of the project,’ says Prummel. ‘That’s why it’s crucial that we have this opportunity to experiment at the European level.’ Van Geet adds that they’re ‘trying to link the project to a wider network of circular procurement which C-PRONE, short for Circular Procurement Network, is trying to set up.’ C-PRONE will ensure that the findings of the ProCirc pilots will remain available for future initiatives long after the project has ended.

Circular Procurement Guide

There is no one-size-fits-all instruction manual on how to go started with circular procurement. There are too many factors involved: size of organisation, type of organisation, sector, geographic location, to name but a few. However, Business in the Community and Interreg North Sea Region ProCirc have compiled a [Circular Procurement Guide](#) containing six simple steps ‘to begin your circular procurement journey’:

1. define your circular ambitions
2. determine your functional needs
3. formulate your questions and communicate with the market
4. choose your supplier/s and award the contract
5. implement circular usage policies
6. evaluate success

For full document, click [here](#).

Interreg North Sea Region ProCirc

Interreg North Sea Region funds projects that promote innovative thinking and scalable solutions. The [ProCirc Project](#) consists of 11 public and private organisations from six northern European countries: Belgium, Denmark, the Netherlands, Norway, Sweden and the United Kingdom. The ProCirc pilots focus on the following sectors: construction and infrastructure, furniture, ICT and textiles.

ProCirc, which started in 2018 and will end in 2022, aims to achieve the following results:

- over 30 circular procurement pilots
- 20% CO2 saved per pilot
- 20% virgin materials avoided per pilot
- 25% of waste prevented per pilot
- 50 green products, services and processes piloted and/or adopted by the project
- 50 enterprises participating in cross-border, transnational or interregional research projects
- 10 research institutions participating in cross-border, transnational or interregional research projects
- 50 organisations/enterprises adopting new solutions by project end
- 500 organisations/enterprises informed about new solutions by project end

For full details of the pilot projects, click [here](#).