

Glossary Circular Procurement

Adaptability: Ability of a product or service to adapt to the evolution of needs and requirements, in such a way that its value is maintained or even increased throughout its entire lifespan.

Biobased or renewable materials: Non-fossil material produced based on renewable resources. A renewable resource is of biological origin, excluding resources from geological deposits or fossil resources, is managed and/or cultivated, and could be reused within 100 years without depleting the relevant ecosystem.

By-product: Making use of by-products, meaning using untreated 'waste' to give a second life to unvalorized or untreated 'waste' (cf. CE Compass).

Circular economy: An economic system where the value of products, materials, and other resources in the economy is kept for as long as possible, with more efficient use in production and consumption, reducing the environmental impact of their use, and minimizing waste and the release of hazardous substances in all stages of the life cycle, among others through the application of the waste hierarchy.

Circular procurement: Circular procurement extends sustainable procurement (= using procurement power to achieve maximum positive ecological, social, and economic impact throughout the life cycle of products, services, and works - cf. ISO 20400:2017). Energy and material loops are actively closed throughout the entire supply chain. Negative environmental impact and waste creation are avoided as much as possible. Circular procurement focuses on the changing functional needs of users within an organization. It encourages maximum collaboration and co-creation with all stakeholders who can contribute to closing the loop. The focus of circular procurement is on maximizing the value retention of the products, components, and materials to be procured.

Composition label: A label indicating the materials from which a product is made.

Digital Material Passport: A material or material passport contains all the information needed to reuse or recycle a product in the future. Such a passport lists all the raw materials used in a product or material in a building and also tells exactly where those products and materials are located. It also indicates the potential for recycling (cf. Circubuild).

Digital Product Passport: A Digital Product Passport is a structured, digital collection of product-related data throughout its life cycle. It is a tool to create transparency and unlock circularity, sharing product information across the entire value chain, including data on raw materials, components, raw material extraction, production, recycling, etc.

ESCO: Energy Service Company. A public or private organization that provides integrated energy solutions to its customers. ESCOs focus on improving energy efficiency or energy savings in existing buildings. Typical for ESCOs is the offering of performance contracts, where a contractual guarantee is given to the customer on

the estimated energy savings, but also comfort or energy supply can be guaranteed via a performance contract (VMM).

Life Cycle Assessment/LCA: An LCA or life cycle assessment is a holistic analysis that quantifies the total environmental impact of a product or building throughout its entire life cycle, from the extraction of raw materials to production and transportation to use and waste management (cf. Circubuild).

Maintenance: All activities aimed at maintaining the functionality and good condition of the product or service. It is a crucial activity carried out in the use phase of the product life cycle and the most efficient way to maintain or restore equipment to the desired performance level and extend its lifespan.

Product-as-a-Service (PaaS): A circular business model PaaS does not offer standalone products to customers but delivers new combinations of products with associated services. The model focuses on outcomes, such as performance, rather than the product itself, with the service provider predominantly remaining the owner of the product.

Recyclability: A material/component is recyclable if it can be recycled at the end of the product's life without losing its original quality. Original quality means that the material can be used for the same purposes after the end of the product's life as before it was processed into the product.

Recycled or secondary raw materials: Primary raw materials are extracted from nature for their first application. Secondary raw materials are by-products or materials that have reached the end of the waste phase but can be used as raw materials under certain conditions, and if they have certain characteristics (as set out in the Materials Decree and the VLAREMA), (cf. CE Monitor).

Recycling: Any useful application whereby waste materials are processed into products, materials, or substances, for the original purpose or another purpose (cf. Directive 2008/98/EG).

- **Downcycling:** Recycling of a material where performance, quality, and value requirements are lower than the original material.
- **Upcycling:** Recycling of a material where performance, quality, and value requirements are equal to or higher than the original source.

Refurbish: Improving a used product, making it almost as good as new and, if applicable, providing warranty again. The entire product is checked, and improvements are made where necessary. This can include cleaning, reupholstering, giving a new look and feel, or replacing parts that no longer meet standards.

Remanufacture: Remanufacturing is an extensive and rigorous industrial process whereby a previously sold, leased, used, worn, refurbished, or non-functional product or part is returned to a state as new, like new, or better than new, from both a quality and performance perspective.

Repair: Also known as corrective maintenance. The on-call resolution of technical defects or making other desired adjustments in an existing product to restore it to a good condition.

Reuse: Any action where products or components are reused for the same purpose for which they were intended (Waste Directive).

Reverse logistics: A model in which products and parts return to the manufacturer or processor at the end of their life.

Short chain: Short chain refers to minimizing the distance between production and consumption. This includes locally producing and distributing products.

Socially Responsible Public Procurement/MVOO: Socially responsible public procurement involves public procurement with a limited or even positive impact on the environment over their entire life cycle, which are socially and ethically responsible and strengthen the social and economic fabric. By placing socially responsible public procurement on the market, governments can generate additional social value and stimulate markets to engage in socially responsible entrepreneurship.

Sustainable procurement: Using procurement power to achieve maximum positive ecological, social, and economic impact throughout the life cycle of products, services, and works (cf. ISO 20400:2017).

Symbiosis: Circular symbiosis refers to an activity where a waste product from one company can be used as a valuable resource for another company.

Urban mining: Process whereby components and elements from all possible anthropogenic stocks are recovered: buildings, infrastructures, industries, landfills, products (in use or at the end of their life cycle), etc. These materials can represent a significant stock of resources, often comparable or even greater in concentration than natural stocks.

Value network: A value network consists of the company and all relevant partners it needs.

Value retention: Activities aimed at value retention aim to maintain the economic value of a product, which also contributes to sustainability and resilience in both the economy and the environment. These activities, typically of the production type, facilitate both the completion of a product and the extension of its lifespan, even beyond the traditional expected lifespan. Processes such as reuse, repair, refurbishment, and remanufacturing play a role. Innovative business models, such as product-as-a-service, renting, and sharing, promote sustainability by shifting the focus from ownership to usage.

Waste: Any substance or object which the holder discards, intends to discard, or is required to discard (cf. Waste Directive).