



# **Welcome to the**

# **Strategic Procurement**

# **Community of Practice**





The Department of Finance acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community.

We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past and present.





# Today's program



## Event and program introduction

Lara Connor and Andrew Davy – Department of Finance WA



## Circular Procurement Accelerates Circular Economy

Joan Prummel – International Circular Economy Advisor, Ministry of Infrastructure and Water Management, The Netherlands



## Q&A



## Networking





# Please welcome

**Joan Prummel**

**International Circular Economy Advisor**

Ministry of Infrastructure and Water Management

The Netherlands





# Circular procurement accelerates circular economy

September 12, 2023



Joan Prummel

International  
Circular Economy Advisor



# Storyline

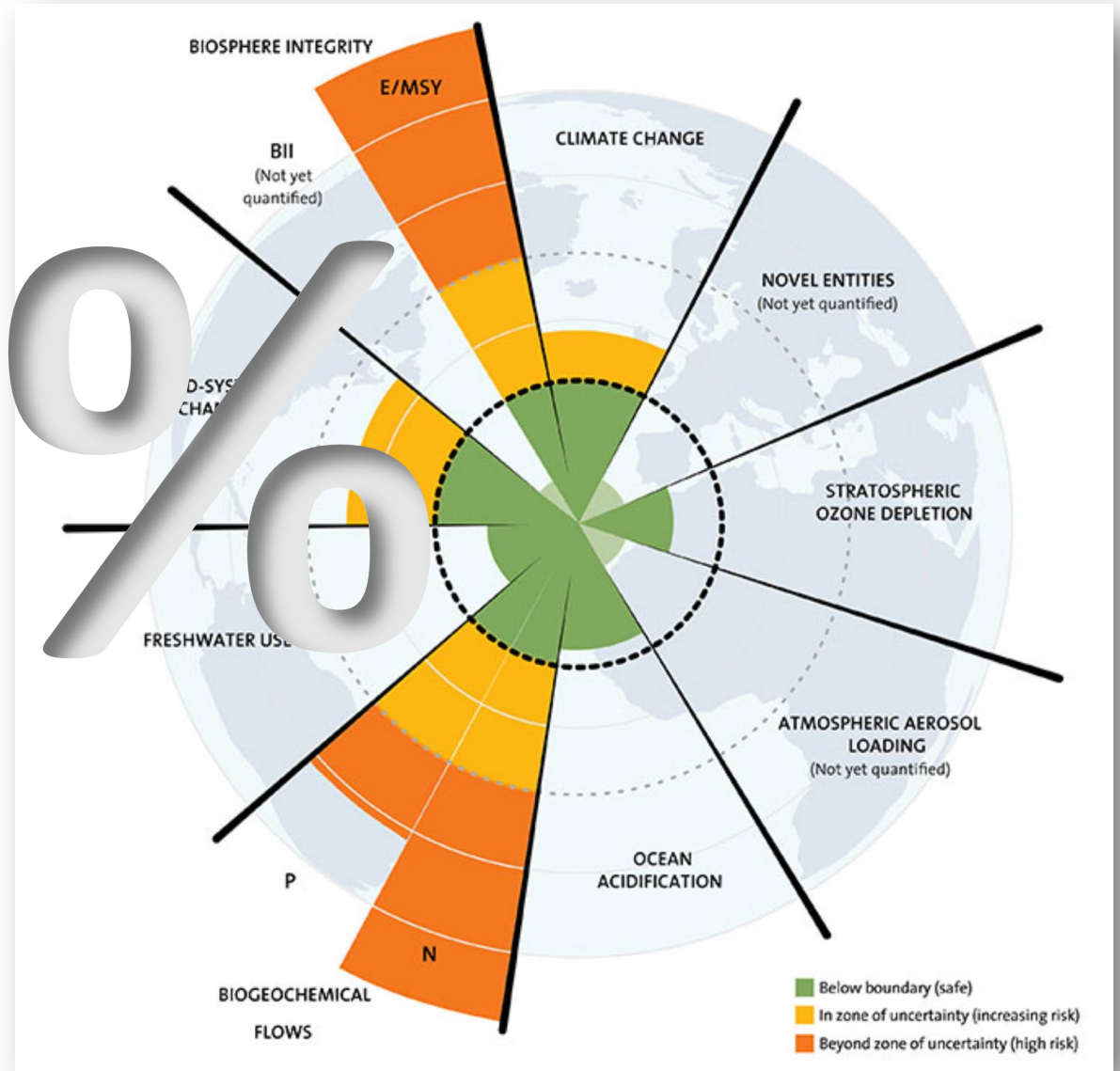
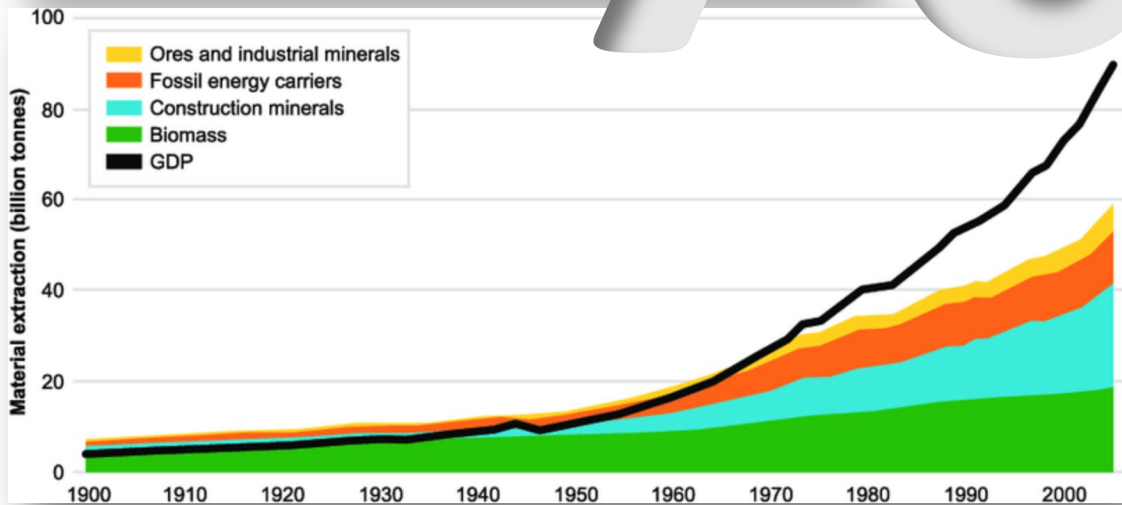
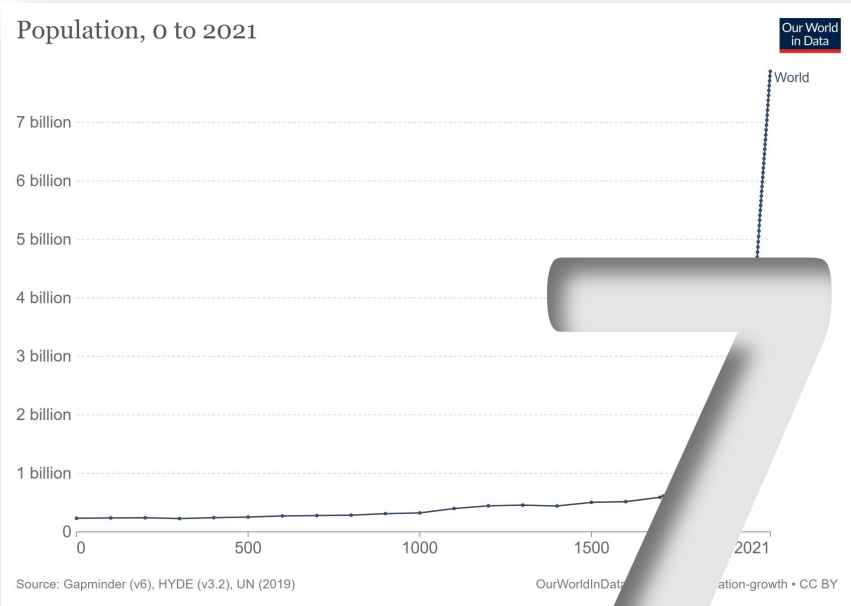
- **CE is not a goal**
- **Circular procurement**
- **8 Steps to impact**



**CE is not a goal**

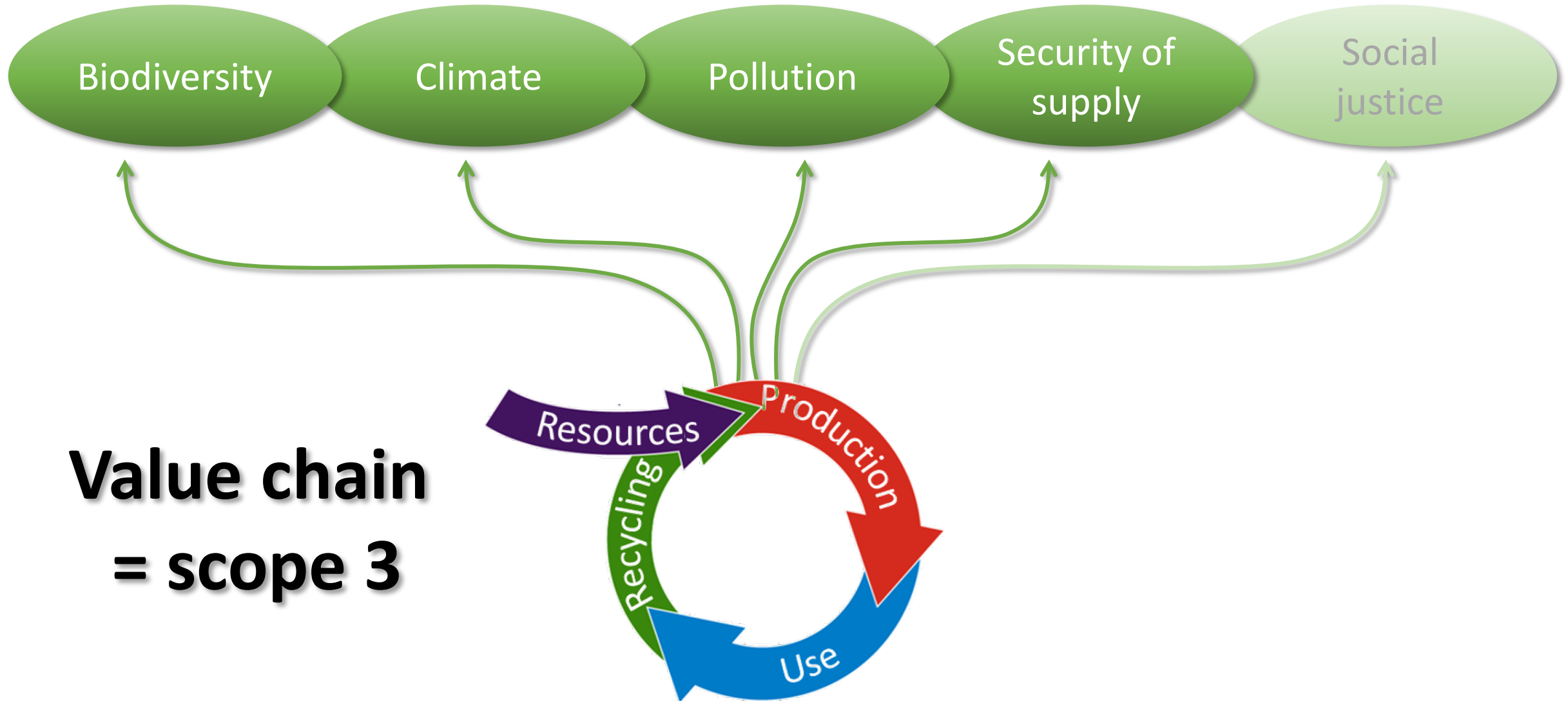


# Growing population -> growing impact



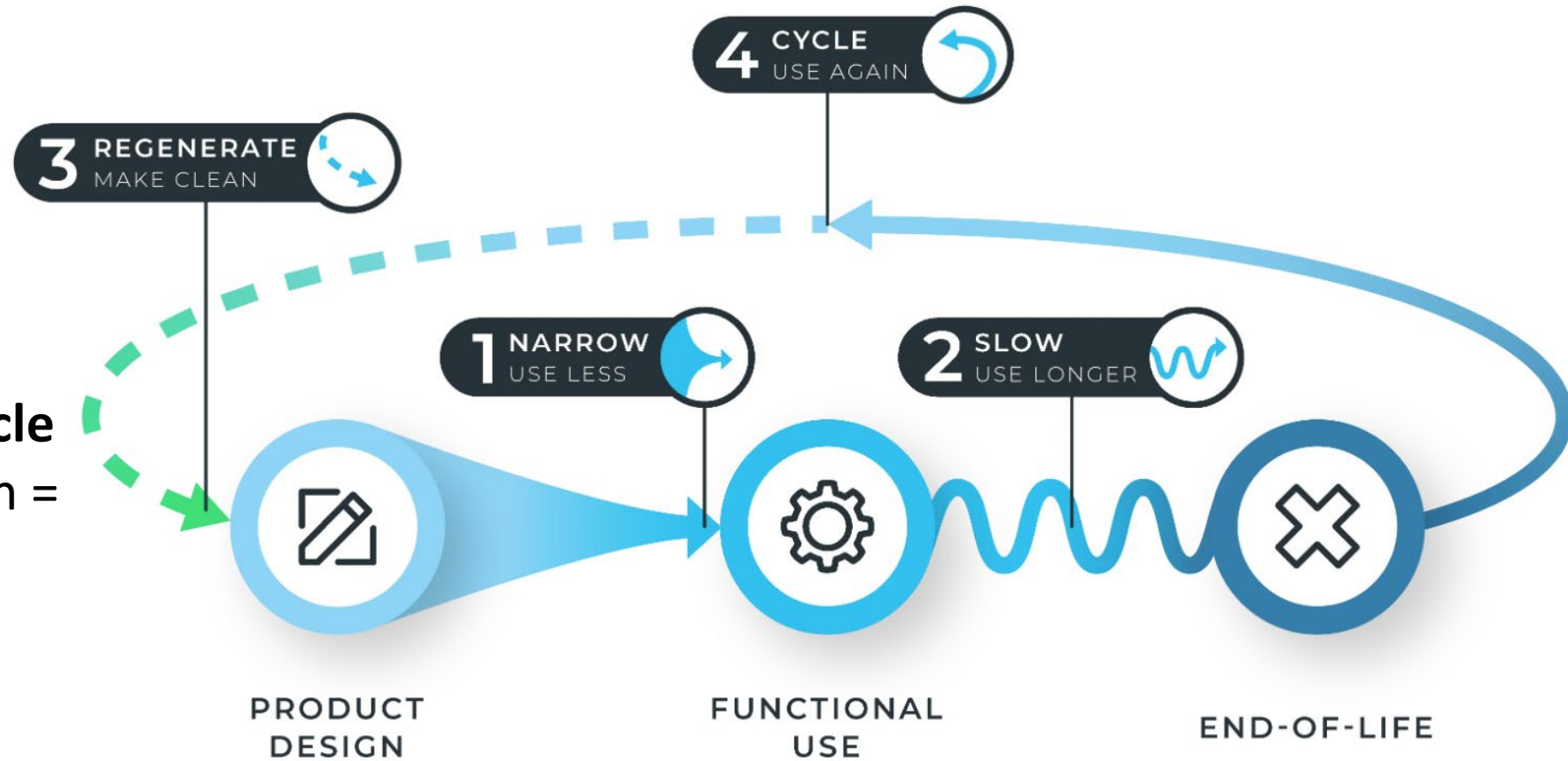


# CE addresses societal issues in the value chain



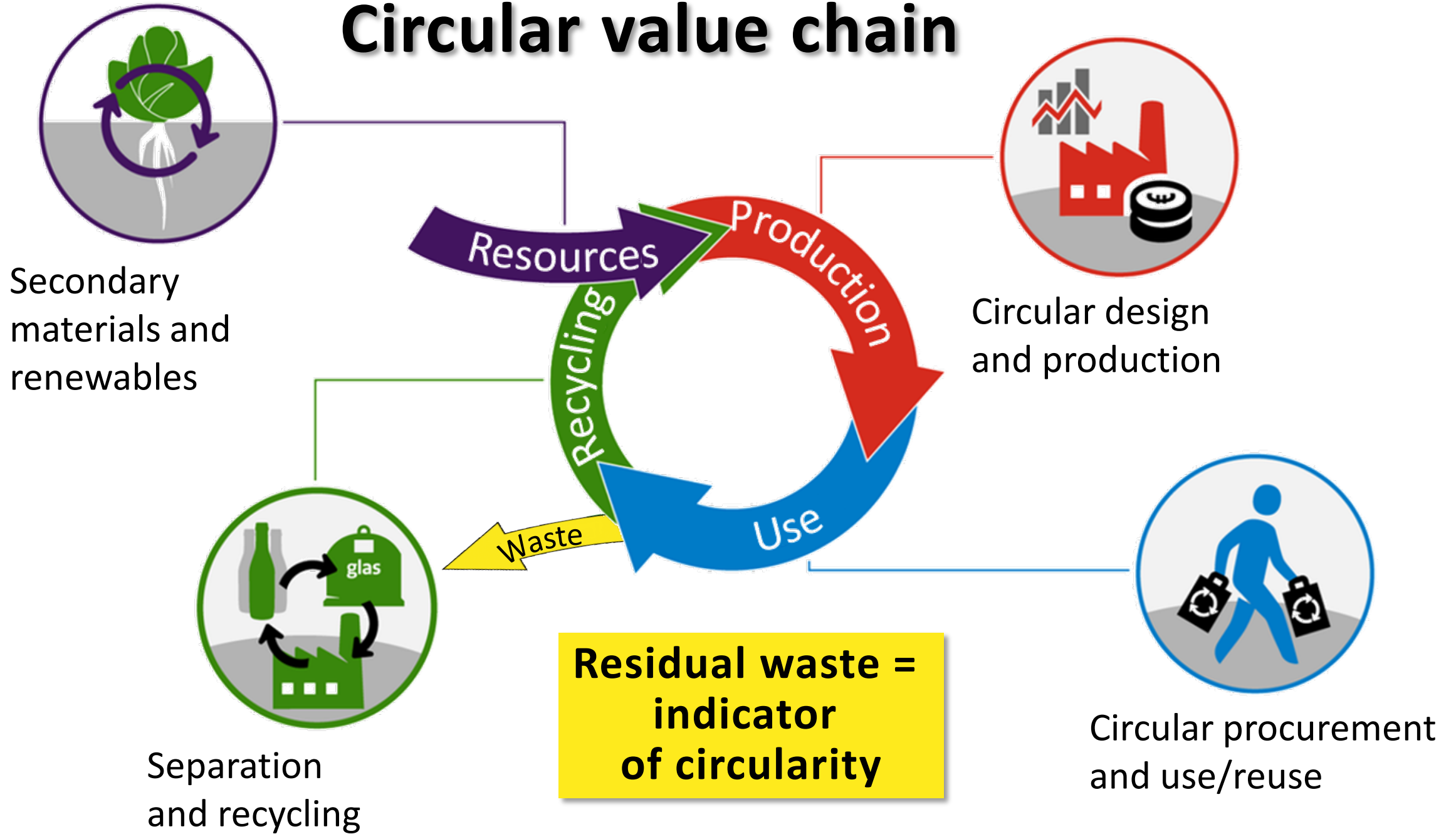
# Circular economy = decarbonisation

- **Narrow**  
less material =  
less emissions
- **Slow, regenerate, cycle**  
use embodied carbon =  
avoid new emissions

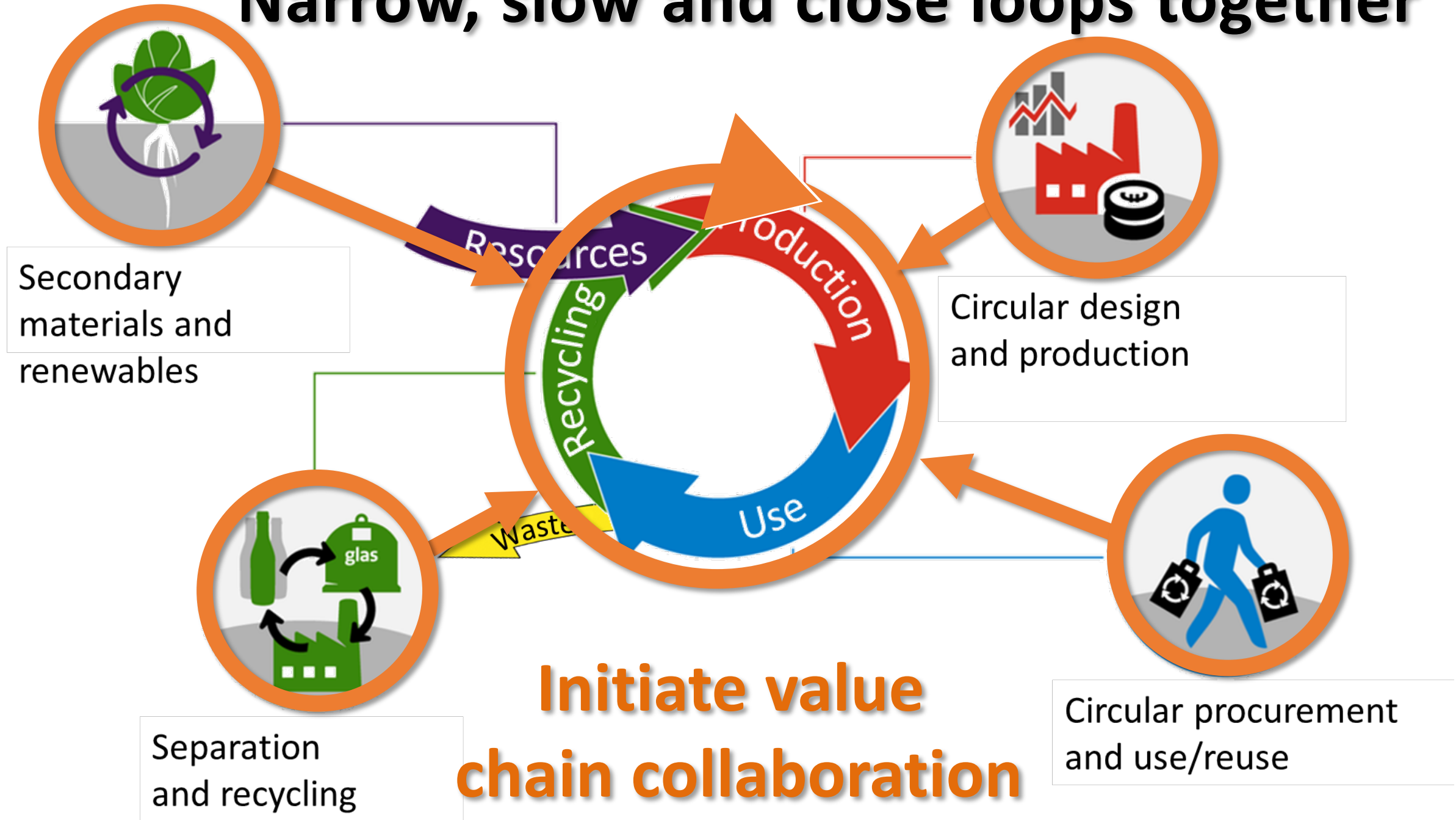


[2023 \(circularity-gap solutions\)](#)

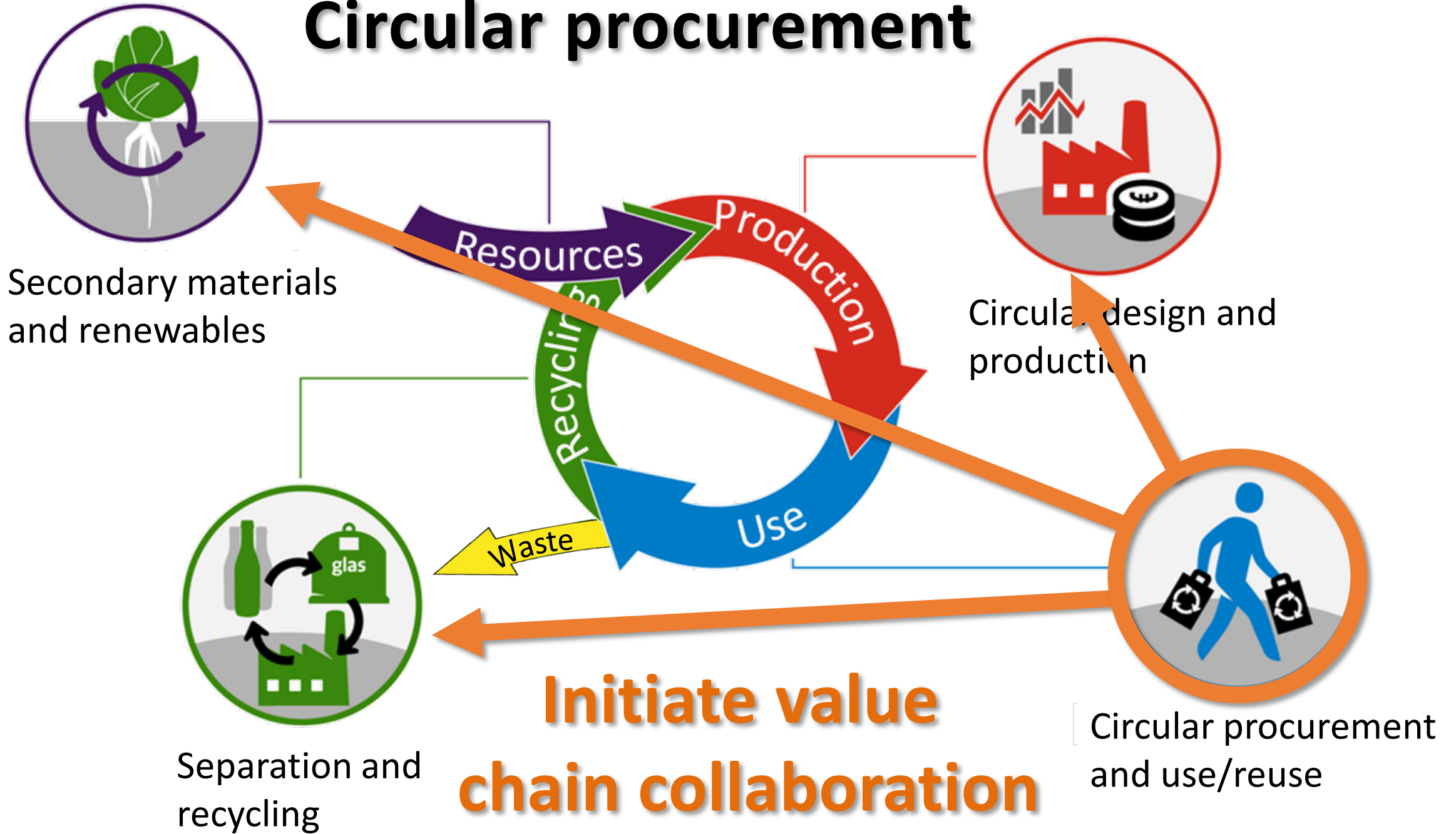
# Circular value chain



# Narrow, slow and close loops together



# Circular procurement





# Circular Procurement





# Output is the result of input



Waste is the result of procurement...



**PRACTICE WHAT  
YOU PREACH**

**Circular procurement is a lever for circular economy**



Relevance of

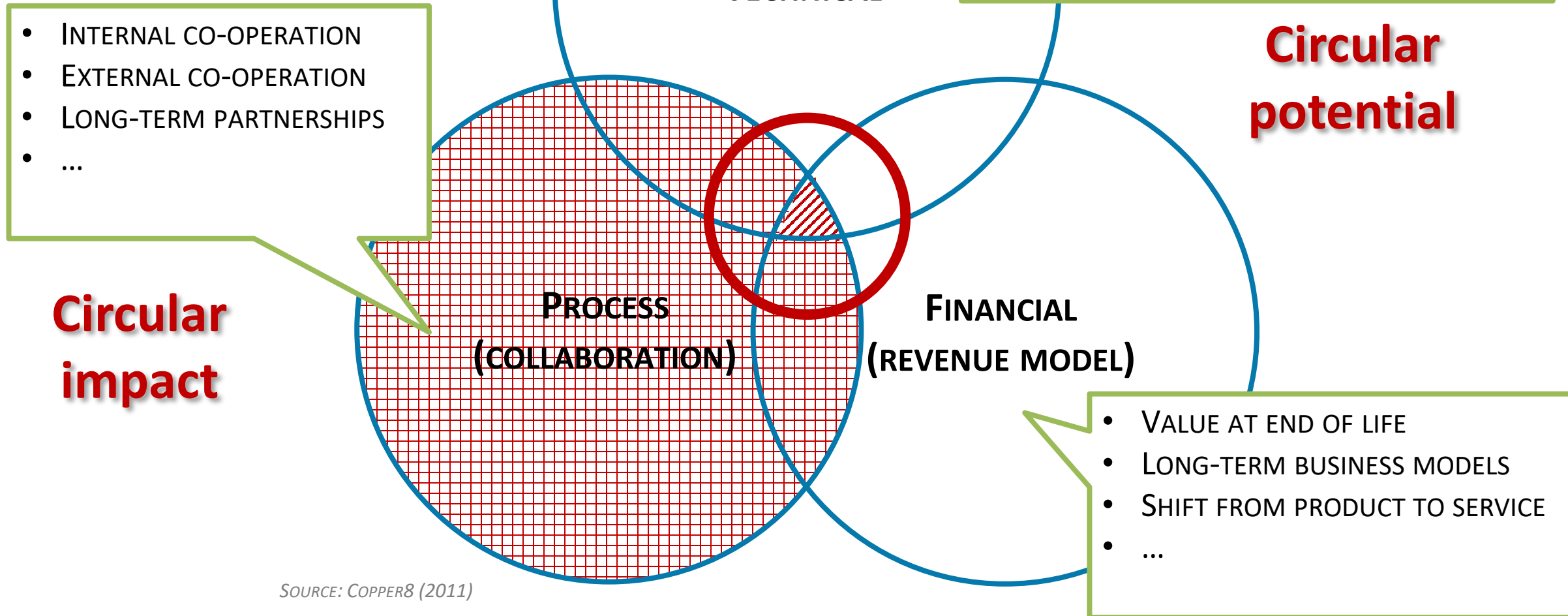
AU\$ 500,000,000,000



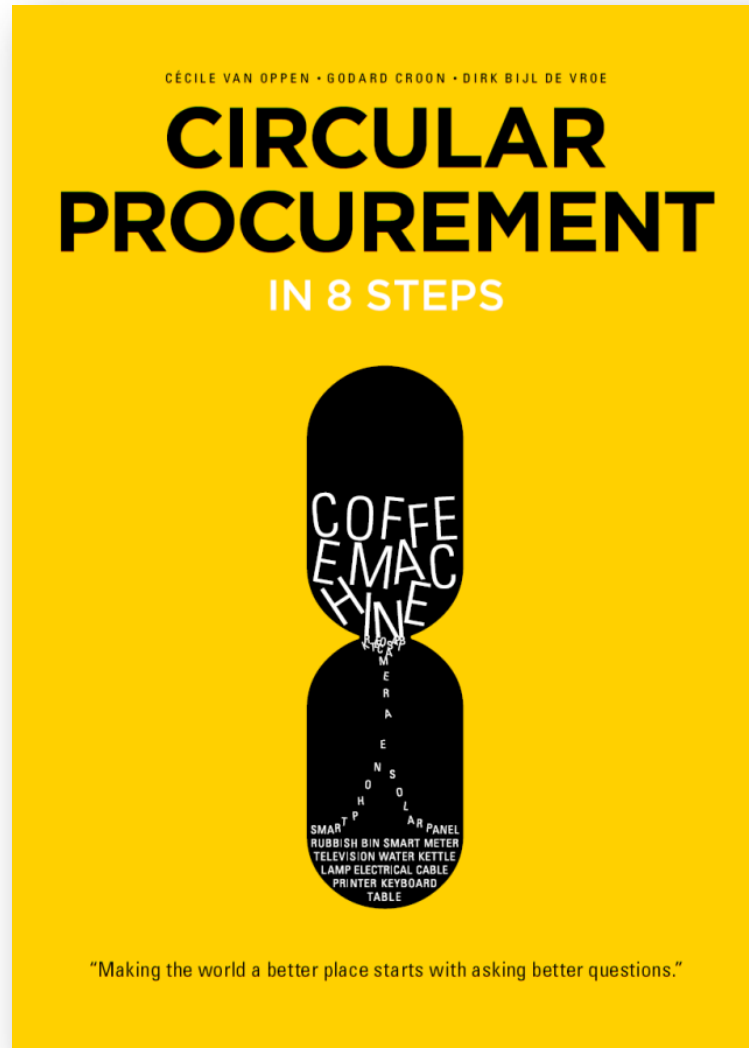
# 8 Steps to impact



# Ambitions to impact



# Circular Procurement in 8 steps



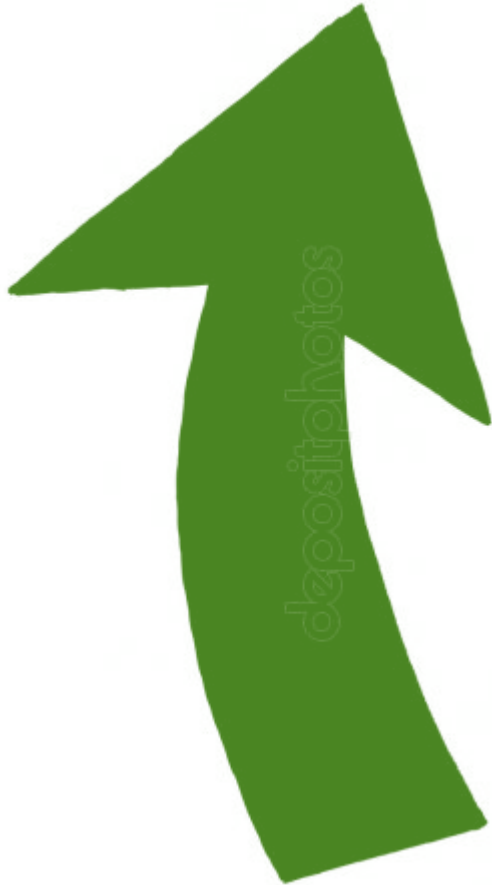
1. From definition to ambition
2. Internal organisation
3. Defining your need
4. Business models
5. Market collaboration
6. Tender procedure
7. Measuring and awarding
8. Contract management



# From definition to ambition

# STEP 1

# Circular ambition to steer procurement



- CE ambitions translate to CE policy
- CE policy supports CE goals
- Policy makers support budget holders and managers to achieve the CE goals
- Managers and budget holders are clients of procurement
- Procurement results reflect and support CE ambitions



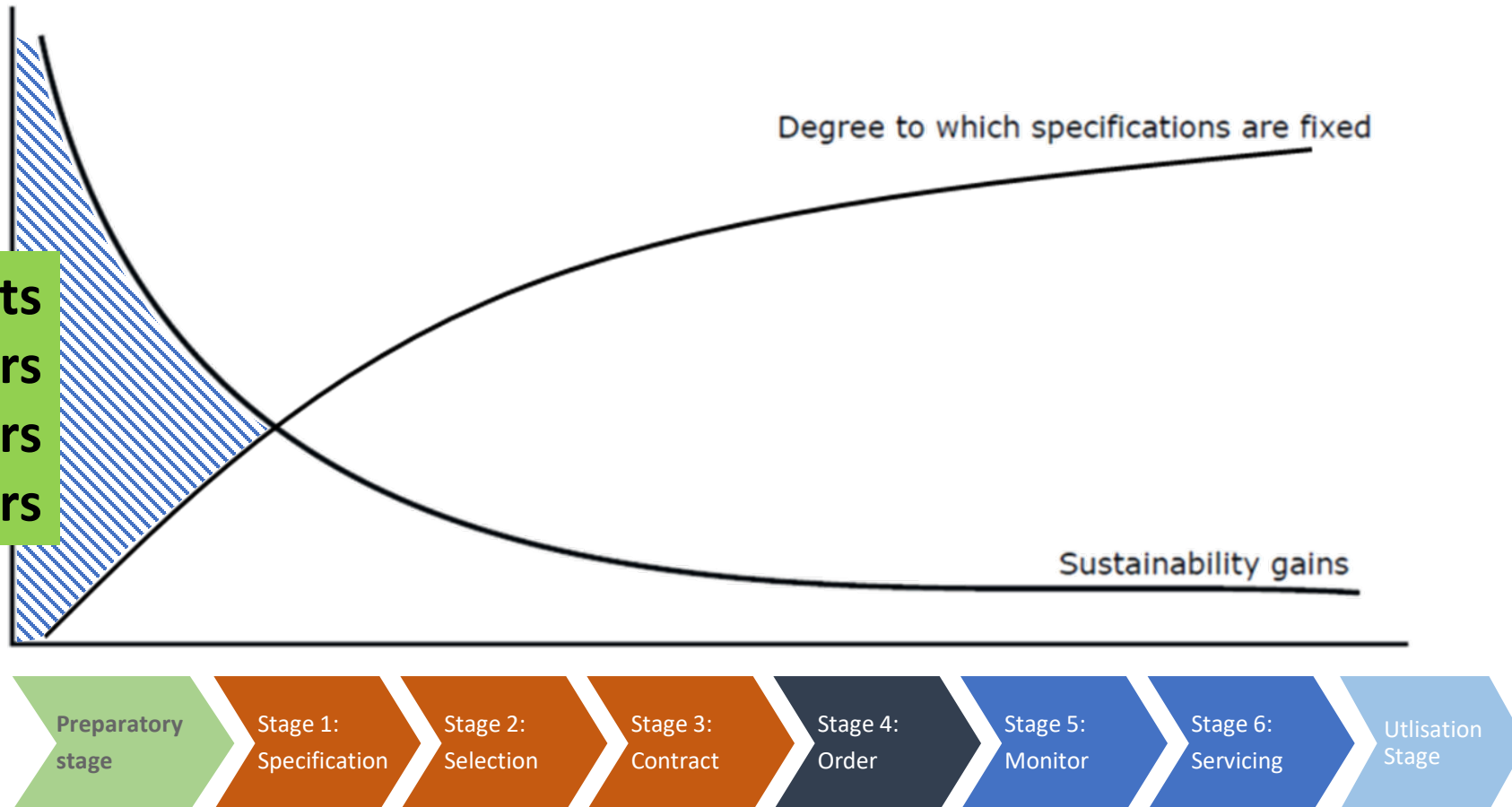
# Internal organisation

STEP 2



# The biggest impact is BEFORE procurement

**Clients  
Budget holders  
Managers  
Decision makers**





# Defining your need

STEP 3



A connection  
between A en B



A healthy working  
environment  
for 1500 employees



# Business models

# STEP 4

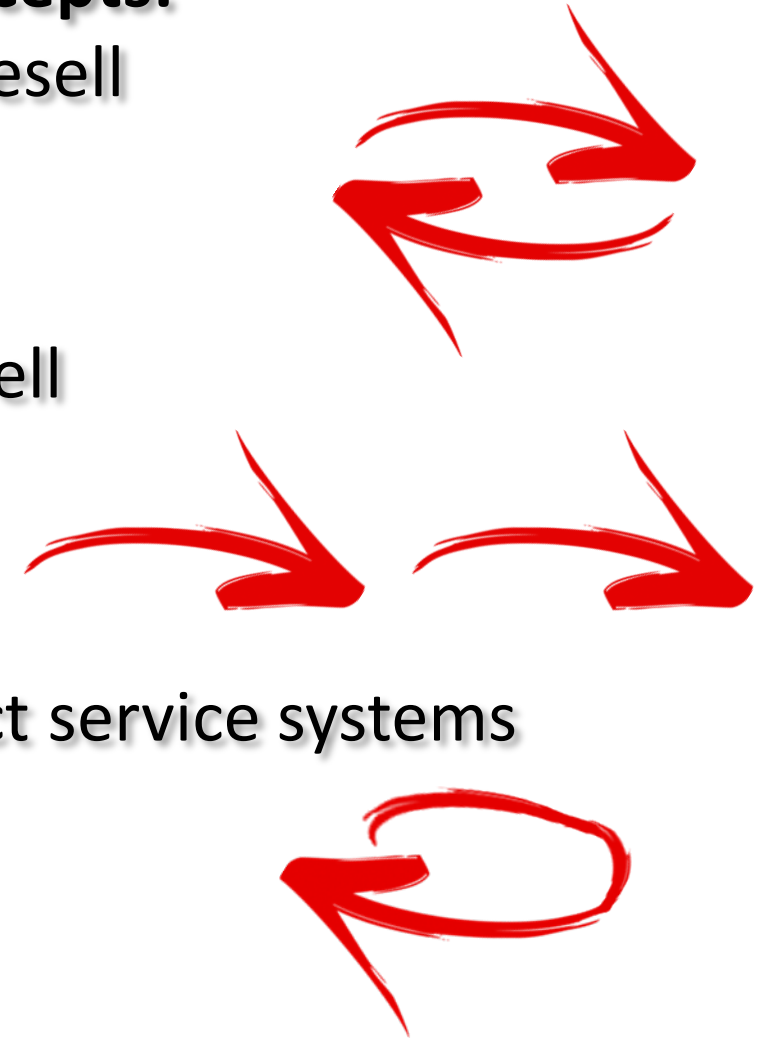
# Business models

1. Product Service Systems
2. Product life extension
3. Resource recovery
4. Sharing platforms
5. Circular supply chain

# Procurement concepts

## 3 main concepts:

- buy - resell
- buy - sell
- product service systems

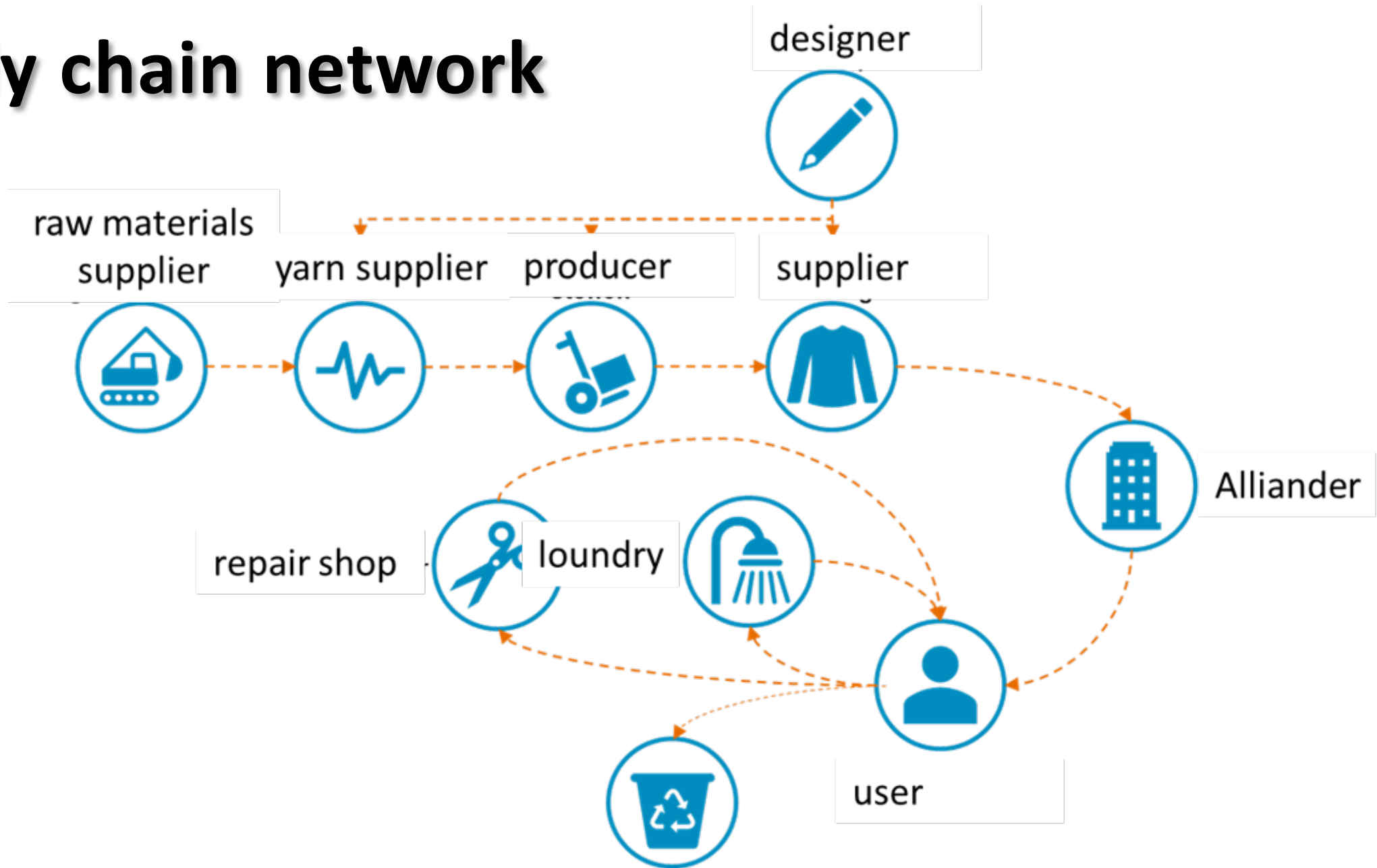




# Market Collaboration

STEP 5

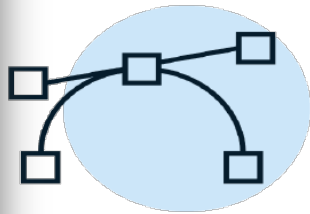
# Supply chain network



# Connect your ambitions to their opportunities



*Professor Cramer*



Orchestration through intermediaries:  
**transition brokers**





# Tender procedure

STEP 6

# Tender procedures

Type of procedure	Proportionality		Collaboration		Innovation	Certainty of results
	Number of tenderers	Transaction costs for Suppliers	Between client and contractor	Between supply chain partners		
Public procedure	Low	Low	--	--	Low	+
Restricted procedure	High	Medium	-	-	Low	+
Competitive dialogue	High	High	+	+	High	+
Competitive procedure with negotiation	High	High	+/-	+/-	High	+
Innovation partnership	N/A (product doesn't exist)	High	+	+	High	-



# Measuring and awarding

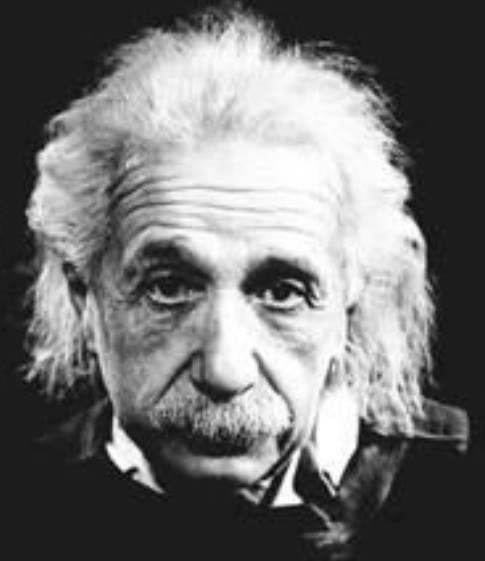
# STEP 7

# Measuring & awarding

- Award criteria need to relate to your **ambition** and your requirements
- Determine how you will **measure and/or assess** the circularity of the offers
  - technical specifications
  - qualitative specifications
- Determine how you will incorporate the price aspect into the assessment and what weighting will be assigned to it
  - Price:Quality -> 80:20 or 30:70?

**"Not everything that counts can be counted, and not everything that can be counted counts."**

-Albert Einstein



**Back to step 1:  
(functional) criteria based on ambitions**



# Contract management

# STEP 8

# Circular procurement is NOT just about purchasing...

- Most of the desired impact as put in contract will actually happen using the products and services:

**Contract management is key for delivering!**





# Wrap up



# Take aways

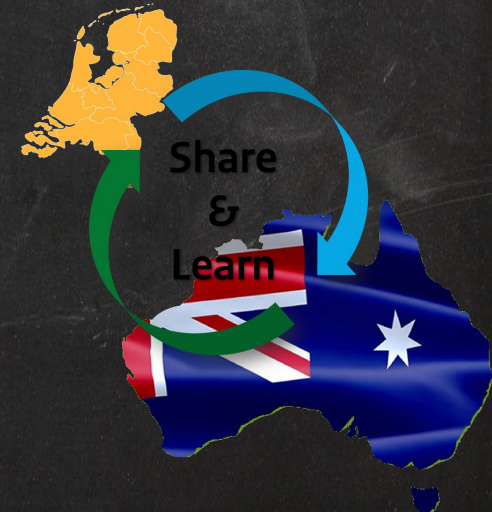


- Circular economy is a systemic approach to tackle global issues  
*climate, biodiversity, pollution, social justice, security of supply*
- Circular procurement is a powerful lever to facilitate the needed market changes and accelerate circular economy

## statement

To get to 100% circular economy in the future,

we must aim for 100% circular procurement today!





You don't have to see the whole staircase,  
Just take the first step

- Dr Martin Luther King



**Joan Prummel**  
International Circular  
Economy Advisor





# Questions?





**We value your feedback –  
please take a few  
minutes to complete this  
survey**

