

SUPPORTING GOVERNMENT PROCUREMENT OF **RECYCLED MATERIALS**



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Foreword



It is my firm belief that buying goods containing recycled content will soon become as routine as putting our packaging, paper and cardboard out on the kerb for recycling. Just as consumers “buy green” for the environment or “buy pink” to combat breast cancer, they will soon “buy recycled” to reduce our waste.

When we do buy goods and services that contain or use recycled materials, we reduce the amount of waste resources sent to landfill, repurpose the valuable energy and materials used to make those resources and reinvest that value by converting our waste resources into new products. This is the circular economy in action.

It's not just good for our environment, it also makes good economic sense. For every 10,000 tonnes of material recycled, nine jobs are created, compared to only three jobs if that same material is landfilled. Supporting jobs is particularly important as we recovery from the economic impact of Covid-19 in Australia.

Every time we buy products made from or containing recycled content, we are helping to create an Australian recycled content market. Growing that market will give business the certainty they need to invest in world-class, high-tech recycling and remanufacturing facilities. The result will be more Australian jobs and making the most productive use of our waste resources.

Buying recycled content is not just an issue for Australia. Circular economy principles—in which we shift the focus away from 'take, make, use and dispose' to a more circular approach where we maintain the value of resources for as long as possible—are catching on fast all around the world. In the decade ahead, I want to see Australia become a recycling powerhouse, exporting our recycling know-how and innovations to the world, not our waste.

Everyone – governments of all levels, industry and consumers – has a role to play in making sure that this happens in Australia. The Australian Government will soon release a revised Sustainable Procurement Guide and updated Commonwealth Procurement Rules so that every single one of our almost 100 agencies must consider buying recycled.

I encourage you to do the same.

A handwritten signature in black ink that reads "Trevor".

Trevor Evans MP
Assistant Minister for Waste Reduction and Environmental Management

Executive summary

THE OBJECTIVES AND RATIONALE OF THIS REPORT

In November 2019, the 2025 National Packaging Targets (2025 Targets) were formally adopted by Australia’s Environment Ministers as part of the National Waste Policy Action Plan. Achievement of these targets will require action throughout the value chain for packaging, including to expand markets for used packaging.

The focus of this report is on the role of government procurement in driving demand for recycled materials, both as construction materials and as recycled content in packaging and other products. Consistent with APCO’s role as the backbone organisation under the Collective Impact Framework, this report aims to support governments to overcome challenges in doing so.

The report’s objectives are to:

- Provide insights into the challenges faced by government agencies in procuring recycled materials.
- Provide a framework for considering the challenges and opportunities for circular procurement, to assist government agencies in developing their own frameworks and approaches.
- Outline a series of initiatives to support the realisation of the potential contribution of government procurement to achievement of the 2025 Targets.

CHALLENGES AND OPPORTUNITIES IDENTIFIED

The report was developed through desktop research and consultation with government and industry stakeholders. This process helped identify a series of challenges faced by government procurement teams throughout the four areas of a typical procurement framework, as described in

ISO 20400: 2017 – Sustainable Procurement - Guidance. Three opportunities were identified where APCO had sufficient influence to help overcome these challenges. These opportunities are summarised in **Table A** below.

Table A – Summary of challenges and opportunities

CHALLENGES	OPPORTUNITIES
<p>Information on products</p> 	<p>Detailed and reliable information on products is challenging or time-consuming to find for government procurement professionals. Information needed includes technical product information, local availability, standards, lifecycle impacts and sustainability/recycled content certifications.</p>
<p>Business case</p> 	<p>To make an informed procurement decision, key decision-makers need to see a business case adapted to their organisation that addresses:</p> <ul style="list-style-type: none"> • Product/material quality and performance. • Costs and return on investment (ROI). • Any barriers to implementation. • Impacts beyond the product itself (e.g. local waste management and employment benefits).
<p>Embedding recycled content into procurement</p> 	<p>Incorporating recycled content into the procurement process is challenging due to lack of time, capabilities, and market factors. This requires interventions at the planning, sourcing and contract management phases.</p>

SUPPORT STRATEGIES

Based on the analysis of challenges and existing solutions, four strategies to support governments were identified. These are summarised in **Figure A** and **Table B** below.



Figure A: Recycled content procurement support strategy

Table B – Descriptions of support strategies

STRATEGY	DESCRIPTION
1. Build knowledge	Activities that improves the quantity and quality of information available to government procurement individuals to drive more informed procurement decisions.
2. Create awareness	Activities that disseminates existing information and knowledge to raise the profile of recycled content in procurement practices.
3. Develop skills	Activities that builds the skills and capabilities of government procurement stakeholders.
4. Support implementation	Activities that supports specific procurements, trials or projects aiming to incorporate recycled content into government procurement.

A key driver underlying these strategies is the need to take a holistic approach to circular procurement that will drive significant circular economy outcomes. This includes procurement mechanisms (e.g. buying recycled content, rethinking product need in the

planning phase, or considering reuse models) as well as other mechanisms that will complement the procurement activity such as product certifications, information platforms and training and education.

OPPORTUNITIES TO SUPPORT GOVERNMENT PROCUREMENT OF RECYCLED MATERIALS

Based on the analysis of challenges, existing initiatives in Australia and across the globe, the support strategies and their principles, we have identified three opportunities for APCO to work with governments and key stakeholders to support

government procurement of recycled materials. Each of these recommendations will give effect to the achievement of several or all of the strategic objectives listed above.

Opportunity 1 – Work with Planet Ark to maximise the utility of the Australian Circular Economy Hub as a home for information on circular procurement opportunities

What is it?	The Australian Circular Economy Hub is being developed by Planet Ark in partnership with APCO and with funding provided by the Australian Government through the Environment Restoration Fund. The Hub will provide a wealth of procurement-relevant information on recycled materials and products. There will be an opportunity for government to use the Hub as a central point of information in Circular procurement. This will include providing or directing users to information on standards, research and circular procurement tools and resources.
Strategies	<p><i>1. Build knowledge</i></p> <p><i>2. Create awareness</i></p> <p><i>4. Support implementation</i></p>

Opportunity 2 – Establish a Circular Procurement Community of Practice (CoP) and Community of Interest (CoI)

What is it?	A CoP would enable government procurement practitioners to share information on challenges and opportunities in integrating recycled content into their procurement practices. A broader CoI would provide opportunities for further build knowledge and awareness both among practitioners and key stakeholders including vendors and researchers.
Strategies	<p><i>1. Build knowledge</i></p> <p><i>2. Create awareness</i></p> <p><i>3. Develop skills</i></p> <p><i>4. Support implementation</i></p>

Opportunity 3 – Develop a Circular Procurement Toolkit

What is it?	This initiative will see the development and promotion of a procurement toolkit for governments to develop their skills to integrate recycled content considerations into their procurement practices and assist them overcome common challenges.
Strategies	<p><i>2. Create awareness</i></p> <p><i>3. Develop skills</i></p> <p><i>4. Support implementation</i></p>

APCO will engage with government agencies and other stakeholders to develop a strategy to implement these opportunities in 2021.

Introduction

THE OBJECTIVES AND RATIONALE OF THIS REPORT

In November 2019, the 2025 National Packaging Targets (2025 Targets) were formally adopted by Australia's Environment Ministers as part of the *National Waste Policy Action Plan*. The targets are:

- 100% of packaging to be reusable, recyclable or compostable.
- 70% of plastic packaging recycled or composted.
- 50% average recycled content across all packaging, with specific targets for certain materials.
- Phase out problematic and unnecessary single-use plastic packaging through redesign, innovation or alternative delivery methods.

APCO plays a coordinating strategy-setting and administrative role to drive collaboration throughout the supply chain to meet the 2025 targets. This is achieved using a Collective Impact Framework.

The Collective Impact Framework is set out in *Our Packaging Future*. This document establishes that one of the three critical outcomes that will drive achievement of the 2025 Targets is expanded markets for used packaging. Two strategies are in place to deliver on this outcome:

- Strategy 3.1: Expanding increased use of recycled content in packaging.
- Strategy 3.2: Increased use of recycled packaging materials in other products and civil construction.

These strategies also align with Target 4 of the *National Waste Policy Action Plan*, which is to "Significantly increase the use of recycled content by governments and industry".

With this in mind, APCO is working with its Members to increase recycled content in packaging and to increase industry's procurement of recycled materials.

The focus of this report is on the role of government procurement in driving demand for recycled materials. The commitment of government to increasing procurement of recycled materials has been clearly demonstrated, however APCO recognises that there are challenges for government agencies in doing so. Such challenges include:

- Lack of information on opportunities to procure recycled materials.
- Understanding governments' procurement processes by vendors.
- Understanding of requirements regarding information, standards and quality assurance.

Consistent with APCO's role as the backbone organisation under the Collective Impact Framework, this report aims to support governments to overcome these challenges. The report's objectives are to:

- Provide insights into the challenges faced by government agencies in procuring recycled materials, both to inform APCO's work to support government agencies and to assist vendors of recycled materials and products to better meet the needs of government customers.
- Provide a framework for considering the challenges and opportunities for circular procurement.
- Outline initiatives to realise the potential contribution of government procurement to achievement of the 2025 Targets.

REPORT METHODOLOGY

This report was developed through both desktop research and consultation with government and industry stakeholders to identify challenges for government procurement of recycled materials. Opportunities for APCO to support government agencies to overcome these challenges were also identified.

The analysis and recommendations outlined in the report follow the structure of the International Standard ISO 20400:2017 - Sustainable Procurement Guidance. ISO 20400 is a best practice sustainable procurement framework helped to categorise findings and recommendations in a robust and logical way, it is split into four key areas as shown below in **Figure 1**.

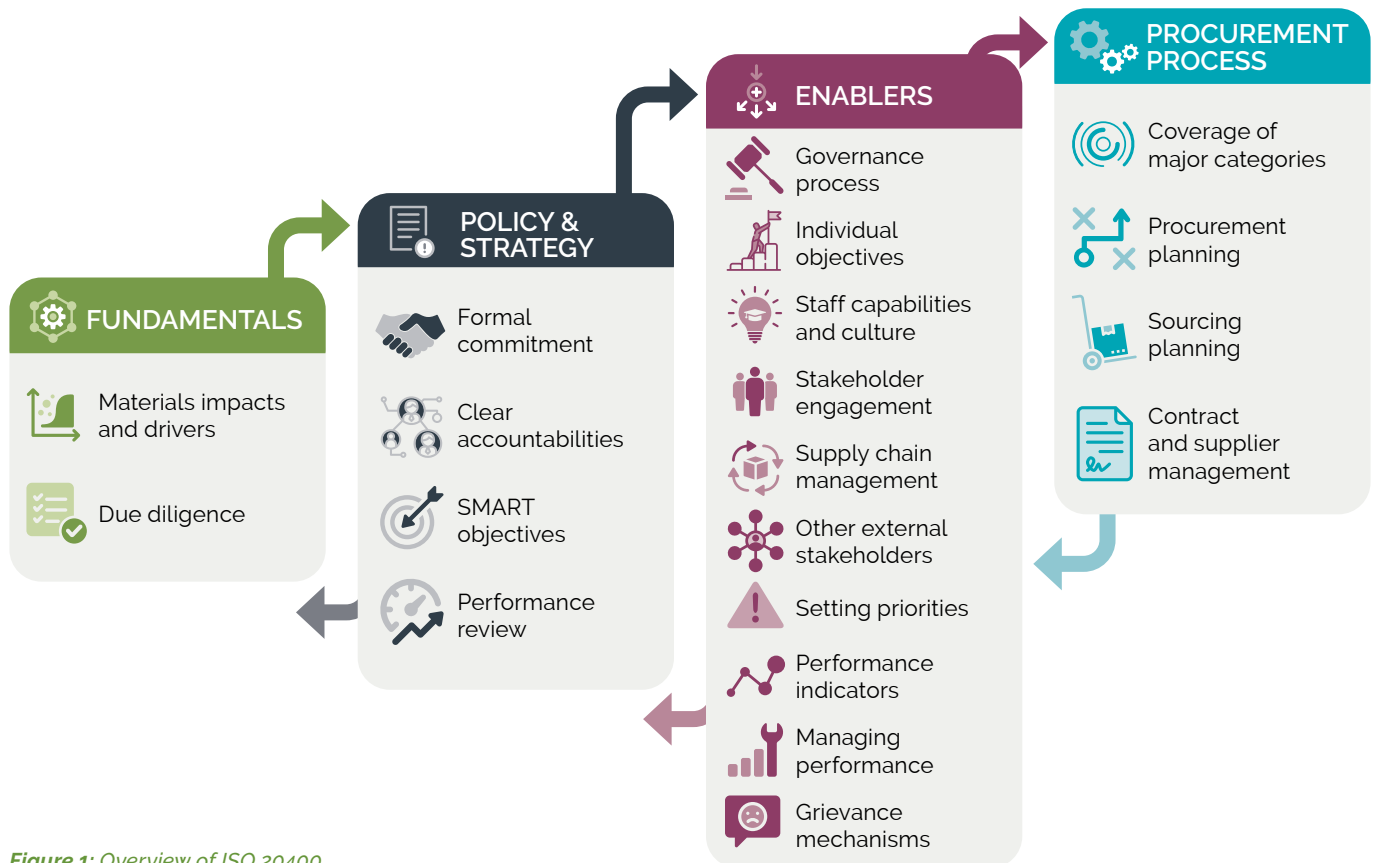


Figure 1: Overview of ISO 20400

Desktop research was used to:

- Inform the development of the analytical framework to be used.
- Develop a first base of information on challenges faced by governments in procuring recycled materials in Australia and overseas.
- Outline existing Australian and international frameworks, approaches and tools that currently, or have the potential to, support procurement of recycled materials.

Direct engagement (through phone interviews, face-to-face meetings and a stakeholder workshop) was conducted with government agencies, in recognition of the need for in-depth discussions to identify specific challenges and needs.

Direct engagement was used to:

- Refine and complete the list of challenges identified through desktop research.
- Inform the prioritisation of challenges that should be the focus of recommendations.
- Obtain government's perspectives on draft recommendations and shortlisted options for support.

Based on information collected, three challenges faced by governments were identified that APCO is most likely to be able to influence, and the actions that APCO could take to support governments to overcome these challenges were elaborated.

Current situation

STATUS OF RECYCLED CONTENT ON THE AUSTRALIAN MARKET

Some data is available on quantities of recycled materials currently available on the Australian market or incorporated into products, however more granular data will be required to make a compelling, comprehensive case for governments to actively procure recycled content.

In 2018-19 it was estimated that the amount of post-consumer recycled content incorporated into packaging was 2.2 million tonnes or 39% on average across all materials, whilst pre-consumer recycled content was at 12% and virgin was at 50%¹.

The 2018 National Waste Report accounts that during 2016-17, 67 million tonnes of waste generated² and 37 million tonnes were recycled³. Over the last 11 years, recycling of construction and demolition waste grew by 34%, the most of any waste streams due to an uptake of use as an alternative source of materials for road base and construction aggregates⁴.

Most recent figures estimate that a large proportion of post-consumer packaging materials are collected

and recovered, yet not used locally into secondary products. For paper packaging, 2018-19 APCO figures indicate that whilst paper has the highest recovery rates of all materials (63%), its local secondary material utilisation rate is only 46% (i.e. 54% was exported)⁵. This suggests a large proportion of materials are prepared for recycling, but not recycled locally.

The lack of consistent data available points to the opportunities that a more granular understanding of local material flows could present for local businesses and governments. A detailed account of the forecasted quantities of recycled materials available in a given local area and use applications are key pieces of information needed to make a compelling business case to incentivise the purchase of these materials. Local material flow data can therefore help turn the theoretical concept of a circular economy into on-the-ground local environmental outcomes, with their flow-on social and economic benefits (e.g. local job creation, increased economic activity).

CHALLENGES FACED BY GOVERNMENT TO PROCURE RECYCLED CONTENT

The desktop research and direct engagement with government stakeholders through this project enabled identification and categorisation of a number of challenges to incorporating recycled content into government procurement processes. These challenges range from:

- The establishment of a compelling business case based on local priorities and conditions.
- The establishment of an organisation-level policy to drive circular procurement.
- The availability of knowledge at key levels in the organisation at the right time.

A detailed analysis of these challenges is provided in Tables 1-4 on the following pages. This analysis uses the ISO 20400 framework of fundamentals, policy and strategy, enablers and procurement process, and sub-sections within each of these categories. The information presented in these tables provides a picture of the many challenges that government agencies would have to overcome to develop and implement a process to increase procurement of recycled content. While these are presented primarily as challenges for government agencies, they are also relevant to vendors of products and materials, who need to know what information and assurance government buyers need and in what form.

¹ Australian Packaging Covenant Organisation, 2020. Australian Packaging Consumption & Resource Recovery Data 2018-19, draft report 2 November 2020.

² Blue Environment, 2018. National Waste Report 2018, available at <https://www.environment.gov.au/system/files/resources/7381c1de-31d0-429b-912c-g1a6dbc83af7/files/national-waste-report-2018.pdf>, p.11.

³ Blue Environment, 2018. National Waste Report 2018, p.15.

⁴ National Waste Report, 2018. Blue Environment, 2018. National Waste Report 2018, p.14.

⁵ Australian Packaging Covenant Organisation, 2020. Australian Packaging Consumption & Resource Recovery Data 2018-19, draft report 2 November 2020.

Challenges in Fundamentals

Table 1 – Challenges in Fundamentals

SUB-SECTION	CHALLENGE	DESCRIPTION
Understanding opportunities	Unknown suppliers and products	Government stakeholders frequently have insufficient or no information on existing suppliers and products with recycled content, and the reliability of these products (e.g. lifecycle impacts, certifications, origin). This prevents key stakeholders identifying and evaluating opportunities.
	Lack of business case	Lack of a business case for using recycled content in procurement, including lack of clarity on: <ul style="list-style-type: none"> • Benefits. • Return on investment/costs. • Feasibility. The business case needs to reflect the constituency and responsibility of the government agency. For example, for a local government, the business case needs to demonstrate clear benefit to the local area.

Challenges in Policy & Strategy

Table 2 – Challenges in Policy & Strategy

SUB-SECTION	CHALLENGE	DESCRIPTION
Commitment	Competing priorities	Public organisations have to manage various environmental and social sustainability issues, in a constrained environment (budget, HR).
	A nascent policy framework	A strong policy framework with clear objectives is needed to drive the procurement of recycled content.
SMART (specific, measurable, attainable, relevant & time-based) objectives	Setting realistic targets	There is little publicly available information on the level of recycled content products in the (changing) market, making a target difficult to define. Rigid policies may drive adverse outcomes by disrupting supply market and/or increasing costs for buying organisations.
Accountabilities	Devolved environment	In some states, procurement is managed by different agencies, making for a siloed approach.
Performance review	Gathering the right data for reporting on progress	It is often unclear what type of evidence or data is required to report on progress (e.g. percentage of final product, weight of recycled content) - especially due to a lack of certifications.

Challenges in Enablers

Table 3 – Challenges in Enablers

SUB-SECTION	CHALLENGE	DESCRIPTION
Enabling people	Building a tailored business case	Procurement stakeholders need to see a business case adapted to their circumstances for recycled content products including information on performance, cost and reliability in specific applications.
	Building knowledge and capabilities	Procurement stakeholders need specific information and training to integrate recycled content into their procurement planning/strategy, sourcing activities (specifications, evaluation) and contract management.
Supply chain engagement	Unclear market information	Information on product availability in the area, and which suppliers and provide it, in which quantities, is difficult to access. Information on products is incomplete and does not cover origin, lifecycle impacts or certifications.
	Barriers to certification	Certification processes are generally perceived as costly and/or unreliable given the current low demand-pull from the market for certified products.
	Lack of dialogue and early engagement	Often recycled content solutions exist in the supply chain, however unless the issue is prioritised and there is early engagement on the topic, these solutions go unnoticed or are not promoted to key suppliers/contractors.
External stakeholder engagement	Complexity of product certifications and standards	Ensuring that recycled materials are fit-for-purpose and accepted for use requires detailed engagement with stakeholders who have responsibility for standards and certifications to ensure these accurately reflect both policy objectives and technical needs.

Challenges in Procurement Process

Table 4 – Challenges in Procurement Process

SUB-SECTION	CHALLENGE	DESCRIPTION
Spend coverage	Ad hoc approach	Organisations do not implement a comprehensive program of work that would address their whole spend.
	Fragmented procurement	Spend is divided across different agencies/units making it difficult to have leverage and send a clear signal to the market.
Procurement planning	Strategic planning	Given the complexity of the issue and lack of information, organisations struggle to address recycled content strategically (needs, supply market, risks) and may miss opportunities to enable innovations and leading edge solutions.
	User perception	Procurement approaches to recycled content may be influenced by negative perceptions of recycled content, such as inconsistent quality and unknown provenance of materials.
Sourcing	Time pressure versus complexity	Sourcing is an intense, short term exercise. Given the inherent complexity of specifying and evaluating recycled content, it tends to be avoided.
	Lack of feedstock at time of procurement	Feedstock for some projects (construction in particular) is often not available in quantity at the time of the project. Products may be just reaching trial stage but not ready to be implemented.
Contract and supplier management	Performance management	Organisations struggle to properly manage contracts and supplier performance, partly due to uncertainty around reliable and practical measures, and efforts required to collect them.

SUMMARY OF CHALLENGES THAT APCO CAN SUPPORT

Table 5 below sets out three key challenges where APCO can positively support outcomes. Identification of these challenges was based on the information

presented in Tables 1-4, consideration of APCO's role, support capacity and feedback received during a workshop with government stakeholders.

Table 5 – Summary of Challenges

CHALLENGES	OPPORTUNITIES
<p>Information on products</p> 	<p>Detailed and reliable information on products is challenging or time-consuming to find for government procurement professionals. Information needed includes technical product information, local availability, standards, lifecycle impacts and sustainability/recycled content certifications.</p>
<p>Business case</p> 	<p>Key decision-makers lack conviction on the need to incorporate recycled content into procurement. Procurement stakeholders tend to have negative perception of recycled content, including:</p> <ul style="list-style-type: none"> • Perception of lower quality / performance. • Perception of higher cost / low return on investment. • Perception of high barriers to implementation.
<p>Embedding recycled content into procurement</p> 	<p>Incorporating recycled content into the procurement process is challenging due to lack of time, capabilities, and market factors. This requires interventions at the planning, sourcing and contract management phases.</p>

DESCRIPTION AND ASSESSMENT OF INTERNATIONAL AND AUSTRALIAN EXISTING SOLUTIONS

The analysis and consultation conducted through this project has enabled identification of four distinct objectives to inform a support strategy:

STRATEGY	DESCRIPTION
1. Build knowledge	This phase includes initiatives that improve the quality of information available to government procurement individuals to drive more informed procurement decisions.
2. Create awareness	This phase includes initiatives that disseminate existing information and knowledge to raise the profile of recycled content in procurement practices.
3. Develop skills	This phase includes initiatives that build the skills and capabilities of government procurement agencies, teams and individuals.
4. Support implementation	This phase includes support for trials or projects incorporating recycled content into government procurement.

The remaining sections of this report are structured around these objectives. Outlined below are existing initiatives and tools that could be drawn on to help deliver each of the four objectives, while the final section of the paper presents options for APCO to work with government and industry stakeholders to work towards the objectives.

Existing initiatives

Build knowledge

Data collection efforts on products incorporating recycled content and their specifications (percentage content, origin, applications) have not yet kept pace with the rising demand for this information.

A number of initiatives are in development in Australia to centralise and standardise information on recycled

content, which suggest coordination of efforts will be critical to influence impact at scale.

This section outlines key examples of initiatives that are of relevance to procurement of recycled content.

Good Environmental Choice Australia (GECA) certifications and claims authentication process

Why?	To give reassurance on a product's sustainability credentials
What?	<p>GECA Standards:</p> <ul style="list-style-type: none"> • 29 standards ranging from carpets to stationary • Recycled products standard which defines environmental performance criteria for products made from recycled content materials <p>GECA Claims authentication:</p> <ul style="list-style-type: none"> • A mark that gives consumers confidence that the sustainability claim is founded
How?	Rigorous assessment process against standards and frameworks which include ISO 14024 and ISEAL
Who?	GECA
More information	http://www.geca.eco/

Sustainability Victoria's Recycled Product database

Why?	To connect sustainable and recycled product suppliers with government procurers
What?	<p>Product information on:</p> <ul style="list-style-type: none"> • Location • Cost comparison with virgin materials • Ability to scale • Accreditations & approved specifications • Example projects and case studies • Applications • Pre/post-consumer • Recycled material source
How?	Online catalogue
Who?	The online catalogue is administered by Sustainability Victoria
More information	https://directories.sustainability.vic.gov.au/buy-recycled

Planet Ark's Australian Circular Economy Hub

Why?	To facilitate a community working towards a circular economy
What?	An Australian platform that inspires and facilitates the collaboration and networking necessary for the transition to a circular economy
How?	Planet Ark is developing a range of resources to help facilitate a circular economy, including: <ul style="list-style-type: none"> • Tools • Education • Case studies • Government policies • A circular economy marketplace to support procurement efforts
Who?	<ul style="list-style-type: none"> • Planet Ark • APCO
More information	https://circulareconomyhub.org.au/

Guidance documents and case studies

ORGANISATION	TITLE AND LINK	DESCRIPTION
WRAP UK	<i>Construction procurement guidance</i>	Guidance for clients, design teams and contractors to deliver higher recycled content in construction projects.
WRAP Cymru	<i>Public sector guidance on the procurement of plastics</i>	Provides information for public bodies in Wales to draw upon to tackle the environmental impact of plastic and to make evidence-based decision.
Nordic Council of Ministers	<i>Circular public procurement in the Nordic countries</i>	Defines a framework of circular procurement and presents some best practices of circular procurement in the Nordic countries.
Sustainable Public Procurement (SPP) Regions	<i>Circular procurement best practice report</i>	An introduction and overview of circular procurement with accompanying best practice examples.
Australian Government	<i>Sustainable Procurement Guide</i>	Guidance on sustainable procurement which was revised in 2018 to coincide with the development of the National Waste Policy: Less waste, more resources.
European Commission	<i>Public procurement for a circular economy</i>	An overview of the practical approaches that can help to embed circularity into procurement processes.

Existing initiatives

Create awareness

Several well-established channels already exist to share relevant information on sustainable procurement and sustainability. These can be used to disseminate information on recycled content in procurement. This includes a combination of formal

leaderships or advisory groups, industry associations, forums and media channels.

This section outlines key examples of initiatives that are of relevance to procurement of recycled content.

Leadership groups

ORGANISATION	LEADERSHIP GROUP	LINK
Across all Australian jurisdictions	Australian Procurement and Construction Council - Enable members to work together to collaborate and provide leadership to the broader public sector and relevant industries. Meeting of Environmental Ministers.	https://www.apcc.gov.au/
NSW Government procurement groups	NSW Procurement Board - Secretaries of the principal departments and is chaired by the Secretary of The Treasury. NSW Procurement Leadership Group – Advisory group made of agencies' heads of procurement/commercial.	https://buy.nsw.gov.au/buyer-guidance/before-you-buy/other-considerations/governance
Local Government Associations groups	Australian Local Government Association (ALGA), State-based local government associations, and local government procurement bodies such as LGP in NSW.	https://lgp.org.au/sustainable-choice

Events & forums

COMMUNITY	EVENTS	LINK
Procurement	Chartered Institute of Procurement and Supply (CIPS) – Annual conference, Regional events (breakfasts, evening drinks etc.).	https://www.cips.org/en-AU/events/
	Procurement and Supply Australasia (PASA) – Annual conference, briefing sessions etc.	https://procurementandsupply.com/
	International Association for Contract and Commercial Management (IACCM) – Local meetups, conferences, webinars.	https://www.iaccm.com/
	Local Government Associations events such as LGP annual conference.	https://lgp.org.au/councils/training-professional-development/local-government-procurement-annual-conference
	Event managers procurement conferences e.g. Women in Procurement, the Eventful Group, Procurement Sitdown.	http://www.questevents.com.au/ https://procurementfestival.com/ https://www.sitdown-events.com/chiefprocurementofficer

COMMUNITY	EVENTS	LINK
Sustainability / Recycling / Waste	NSW Government Sustainability Advantage Program events.	https://www.environment.nsw.gov.au/sustainabilityadvantage/
	Buy Recycled Expos, e.g. those held by Sustainability Victoria in 2019 and Waste Management and Resource Recovery Association Australia (WMRR) and Green Industries South Australia (GISA) in 2020.	https://www.sustainability.vic.gov.au/About-us/Events/Buy-Recycled-Conference-and-Expo-2019 https://www.wmrr.asn.au/Web/Conferences_and_Events/Buy_Recycled_Expo_SA/2020/Home.aspx
	Infrastructure Sustainability Council of Australia (ISCA), Green Building Council of Australia, Australian Waste and Recycling Expo (AWRE).	https://new.gbca.org.au/ https://www.isca.org.au/ https://awre.com.au/
	Advisory System for Process Innovation and Resource Exchange (ASPIRE).	https://aspimes.com/
Other key groups	Relevant events run by professional associations e.g. for engineers, architects, designers, facility managers, landscape architects, parks.	-

Media & social media

COMMUNITY	DESCRIPTION	LINK
Procurement	'Procurious' - Procurement & supply chain professional network.	https://www.procurious.com/
	Procurement Leaders Quarterly and Monitor - publications designed to inspire, inform and educate procurement chiefs and their teams on the latest trends shaping the function.	https://www.procurementleaders.com/magazine/magazine#.XcIQDMzZPY
	Procurement networks website: CIPS, PASA, IACCM.	https://www.cips.org/en-AU/ https://procurementandsupply.com/ https://www.iaccm.com/
	Supply Chain Digital - 'Procurement & Supply Chain Platform' that comprises the World's No.1 Procurement, Logistics & Supply Chain magazine along with a newsletter.	https://www.supplychaindigital.com/topics/procurement
Sustainability	The Fifth Estate – Building environment sustainability news website.	https://www.thefifthestate.com.au/
	Sustainability Matters – Environmental sustainability news website.	https://www.sustainabilitymatters.net.au/
	Sustainability industry networks e.g. Infrastructure Sustainability Council of Australia (ISCA), Green Building Council of Australia (GBCA), Supply Chain School.	https://new.gbca.org.au/ https://www.isca.org.au/ http://www.supplychainschool.org.au/
Professional networking	LinkedIn, Twitter	-
Industry specific media	Institute of Public Works Engineering Australasia (IPWEA), newsletters (eg NSW LGP, LGASA).	https://lgp.org.au/councils/lgp-news-and-special-bulletins https://www.ipwea.org/zipweaold/publications/newsletters https://www.lga.sa.gov.au/lgaprocurement/about-us/newsletter

Existing initiatives

Develop skills

This section outlines examples of initiatives aiming to build skills in circular economy and sustainability that are relevant to circular procurement. These include overseas and Australian examples.

Ellen MacArthur Foundation (EMF) learning platforms

Why?	To support learning about the circular economy, the EMF place an emphasis on interdisciplinary, project-based, and participatory approaches. The aim is to help people understand how they can influence the complex systems around us.
What?	<ul style="list-style-type: none"> • Online learning hub, including sector-specific resources on the circular economy • Face-to-face higher education courses for professionals and postgraduate students • Open online courses and e-learning courses
How?	<ul style="list-style-type: none"> • Reach wide audiences through online content • Collaborating with higher education institutions to reach a greater number of students, academics, and universities, positioning circular economy more centrally within influential learning organisations • Working with leading universities and institutions worldwide to find scalable and replicable solutions that deliver outcomes and long-term impact
Who?	<ul style="list-style-type: none"> • Ellen MacArthur Foundation • Network of academic partners
More information	https://www.ellenmacarthurfoundation.org/our-work/approach/learning

Supply Chain Sustainability School

Why?	To build capability of organisations in the built environment sector to address sustainability issues
What?	<ul style="list-style-type: none"> • Benchmarking assessments & action plan • E-learning modules on waste & the circular economy for the construction industry • Online resources • Events
How?	<ul style="list-style-type: none"> • Free membership (funded by partners) • Access to online resources & member case studies
Who?	Built environment organisations including construction, infrastructure, homes and facilities management
More information	https://www.supplychainschool.co.uk/topics/sustainability/waste-and-resource-efficiency/

Global Leadership Program on the Circular Economy 2020 – South Australia

Why?	To offer business and government leaders the practical skills to make a difference in the circular economy, see how to put theory into practice and translate concepts into tangible actions.
What?	A five-day learning program in an experiential learning environment, focusing on major themes including: <ul style="list-style-type: none"> • Circular economy policy & practice • Community & society • Industry (including sustainable procurement) • Water management
How?	<ul style="list-style-type: none"> • Presentation by experts • Site-tours • Networking • Case study presentations, analysis and discussion • Peer discussions and problem-solving sessions • Formulating a personal action plan
Who?	<ul style="list-style-type: none"> • Green Industries SA • Circular Economy Alliance Australia • United Nations Centre for Regional Development • Attendees include experienced professionals, public sector managers, academics, and business and industry leaders
More information	https://www.greenindustries.sa.gov.au/leadership-program

Existing initiatives

Support implementation

The circular economy has gained traction in the European Union and many initiatives have been undertaken to support projects to incorporate recycled content into procurement. In Australia, the impacts of the National Sword Policy have triggered increased attention to the necessity to develop local

markets for recycled materials, which has fostered the implementation of some collaborative projects.

This section outlines key examples of initiatives that are of relevance to procurement of recycled content.

NSW Circular

Why?	To provide a platform to enable the development of a circular economy
What?	A network that brings together stakeholders from across government, industry, research organisations and communities to find innovative solutions to reduce and reuse waste and materials and enhance sustainability
How?	<ul style="list-style-type: none"> Stakeholder workshops to identify opportunities, provide tools and resources, solve problems, foster innovation and deliver socio-economic benefits (skills, jobs and solutions) Pilot projects Sharing best practice, case studies and initiatives
Who?	<ul style="list-style-type: none"> NSW Government UNSW Sydney
More information	https://www.nswcircular.org/

Local Government Association of South Australia (LGASA) Circular Procurement Project

Why?	To develop local markets and onshore processing for recyclable materials within Australia and to establish a truly circular economy.
What?	Councils will establish systems and processes to: <ul style="list-style-type: none"> Prioritise recycled content through the procurement process Track the recycled content purchased by weight Publicly report on the amount (tonnes) of recycled content products and materials they have purchased under the MOU
How?	Memorandum of Understanding between LGASA and nine participating councils
Who?	<ul style="list-style-type: none"> LGASA Nine South Australian Councils (Adelaide Hills; Burnside; Charles Sturt; Mount Barker; Murray Bridge; Norwood, Payneham & St Peters; Onkaparinga; Port Adelaide Enfield; Prospect)
More information	https://www.lga.sa.gov.au/buyingitback

Green Deal on Circular Procurement

Why?	To make circular procurement a standard method in the local area of implementation (including Netherlands, Greater Paris area, Belgium).
What?	<ul style="list-style-type: none"> • Use procurement as a powerful instrument to accelerate the development of new circular business models through the stimulation of pilot projects and 'Green Deals' • Connect public and private parties, such as the government, businesses, social organisations and knowledge institutes around circular procurement • Promote the sharing of experiences and know-how on circular procurement • Stimulate the development of enterprising buyers, or 'intrapreneurs': buyers who work proactively and accountably, dare to think outside the box and engage with suppliers
How?	Green Deals are pilot projects leading to 'Green Deals contracts' between Central government and other organisations, created with the aim to build knowledge and experience about circular procurement, and integrate circular economy principles in procurement policies and practices
Who?	<ul style="list-style-type: none"> • Rijkswaterstaat (Dutch Ministry of Infrastructure and the Environment) • EU REBus/Life+ • Public, private and civil society actors
More information	https://www.oneplanetnetwork.org/initiative/green-deal-circular-procurement

PRINCIPLES TO INFORM SUPPORT FOR GOVERNMENT PROCUREMENT OF RECYCLED MATERIALS

Consistent with APCO's role as the backbone organisation in the Collective Impact Framework to achieve the 2025 Targets, APCO is committed to supporting governments to meet their objectives with regard to procurement of recycled materials. A number of principles will underpin this work:

- ✔ **Procurement policy is a matter for governments.** The decision to prioritise and implement procurement of recycled materials rests with governments.
- ✔ **Support and leverage existing initiatives and resources.** Seek opportunities to integrate into existing 'ecosystems', governance frameworks, strategies and networks.
- ✔ **Take a holistic view of circular procurement.** The wide range of challenges presented in this report require a holistic approach to overcoming them. An effective support strategy will not only provide information on recycled materials, but also address underlying challenges to procurement, for example through research, standards and capability development.
- ✔ **Strategic positioning.** Identify those areas where APCO is best placed to add value to existing initiatives and resources and to draw on its capabilities and networks.
- ✔ **Engage all levels of government.** This project revealed that common challenges and opportunities exist across jurisdictions and across levels of government. The support strategy aspires to impact change on the national scale, while also supporting existing frameworks and initiatives at state and local level.
- ✔ **Collaboration and involvement of multiple stakeholders.** The support strategy will build on existing collaborative relationships and expertise of APCO stakeholders including buyers (government), suppliers (industry), and third party organisations (experts, membership networks, academia etc.).
- ✔ **Staged approach.** Support actions that will have an immediate and significant impact and will be of most value to government stakeholders will be implemented first. More challenging actions will be considered for future implementation.

Opportunities to support government procurement of recycled materials

HOLISTIC SUPPORT STRATEGY

The support strategy is segmented into four mutually reinforcing objectives as shown in **Figure 2**. Each objective of the strategy will be fulfilled by one or several of the support options outlined in more detail below.

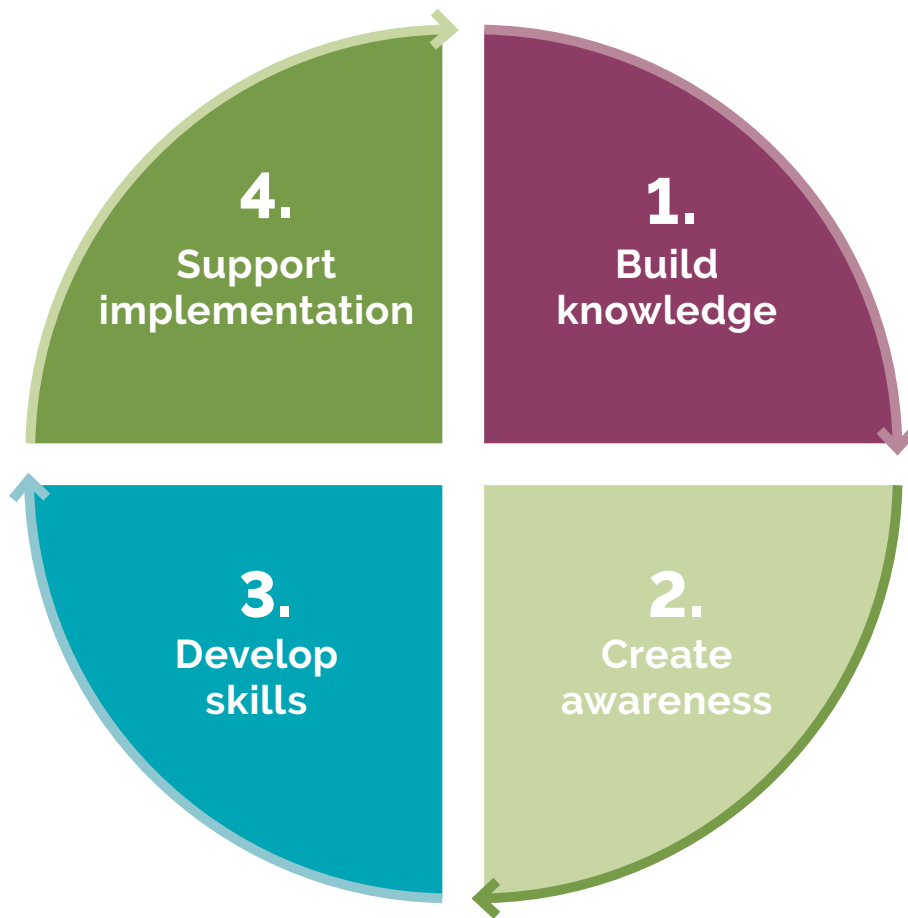


Figure 2: Recycled content procurement support strategy

This strategy provides the following benefits:

- ✔ **Transparency.** The emphasis on strategic objectives makes the support strategy and its underlying initiatives easy to communicate to stakeholders, which in turn will facilitate their support.
- ✔ **Flexibility.** By focusing on strategic objectives rather than outputs, the support strategy enables adapt to changing government needs or evolving market circumstances.

Table 6 below summarises what could be APCO's role in supporting the strategic objectives.

Table 6 – Objectives of support strategy

STRATEGY OBJECTIVE	DESCRIPTION	APCO COMMITMENTS
1. Build knowledge	Initiatives that improve the quality of information available to government procurement practitioners to drive more informed procurement decisions. individuals to drive more informed procurement decisions.	<ul style="list-style-type: none"> • Draw on APCO’s networks to identify and address knowledge gaps. • Assist information providers to ensure that initiatives and platforms are targeted at meeting the information needs of government. • Support and contribute to research e.g. on material flows, performance of products and material and the costs and benefits of circular procurement.
2. Create awareness	Initiatives that actively promote information and knowledge to raise the profile of recycled content in procurement practices.	<ul style="list-style-type: none"> • Participate in relevant events. • Promote information developed by APCO and other organisations through available channels. • Highlight the value of circular procurement in addressing other matters such as local waste mitigation and employment.
3. Develop skills	Initiatives that build the skills and capabilities of government procurement practitioners to procure recycled content, and of vendors to meet the information, performance and assurance needs of governments.	<ul style="list-style-type: none"> • Partner with other organisations (procurement/ industry/government) to develop and deliver targeted content to address key challenges. • Contribute information on recycled content to training and skills development initiatives e.g. those run by LGAs and state governments.
4. Support implementation	Targeted support for trials or projects incorporating recycled content into government procurement, and promoting and enabling uptake of high-potential circular procurement.	<ul style="list-style-type: none"> • Act as a facilitating/coordinating platform for governments and other stakeholders to share information and experiences. • Support and promote research and case studies on high-potential circular procurement opportunities (e.g. use of crushed glass in civil construction).

APCO COMMITMENTS TO SUPPORT GOVERNMENT PROCUREMENT OF RECYCLED MATERIALS

This final section of this report describes three opportunities for APCO to work with government agencies and other stakeholders to support government procurement of recycled materials.

- **Opportunity 1** – Work with Planet Ark to maximise the utility of the Australian Circular Economy Hub as a home for information on circular procurement opportunities. This initiative will be an important foundational step towards ensuring that information is available to government agencies in the most useful form and to the quality needed to inform procurement.
- **Opportunity 2** – Establish a Circular Procurement Community of Practice and Community of Interest, that will enable sharing of information and experiences between procurement practitioners in different jurisdictions and levels of government through a Community of Practice. This will maximise the benefits of pilot projects and lessons learned, and enable successful approaches to be quickly adopted by other agencies. Broadening the engagement to key stakeholder groups including vendors and researchers will improve the ability of these groups to meet the needs of governments.
- **Opportunity 3** – Develop a Circular Procurement Toolkit that will help drive circular procurement by supporting the development of capability in government agencies. Successful delivery of this initiative will depend on active input from government agencies and other potential partners.

Opportunity 1 – Use the Australian Circular Economy Hub as a home for information on circular procurement opportunities

<p>What is it?</p>	<p>This initiative will build on the Australian Circular Economy Hub being developed by Planet Ark. In addition to hosting information on recycled materials, the Hub will provide a central point of information on other information relevant to circular procurement, including information on standards, research, tools and resources available through other portals and organisations. The Hub could provide:</p> <ul style="list-style-type: none"> • Geographical availability of suppliers, products and materials. • Information on certifications and specifications. • Provenience of materials. • Information on technical and economic research into materials and their use in different applications. • Case studies. • Information on lifecycle analyses. • Information on relevant tools and resources <p>At the time of finalising this report, APCO had commenced working with Planet Ark on developing the Australian Circular Economy Hub. The Hub is due to launch in November 2020.</p>
<p>Strategies</p>	<p>1. Build knowledge - By providing a single repository of information relevant to circular procurement, the Hub will enable the identification of information gaps and will foster the development and sharing of procurement-relevant information.</p> <p>2. Create awareness – By creating a single source of information, the Hub will provide opportunities to broaden users' awareness of a wide range of circular procurement opportunities.</p> <p>4. Support implementation – Information on products could be used directly by government procurement professionals to inform their procurement processes.</p>
<p>Governance</p>	<ul style="list-style-type: none"> • Planet Ark is leading development of the Hub.
<p>APCO's Commitments</p>	<ul style="list-style-type: none"> • Support Planet Ark to deliver a fit-for-purpose tool that responds to the needs of government procurement practitioners. • Co-develop and share case studies with government agencies.
<p>Benefits</p>	<ul style="list-style-type: none"> • Provision of a wide range of procurement-relevant information through a single portal will increase the efficiency of information gathering by procurement practitioners and maximise opportunity to identify suitable opportunities. • Provision of information on certifications, specifications and case studies will increase confidence in products and materials. • Quick to implement given the platform is already being developed.

Opportunity 2 – Circular Procurement Community of Practice (CoP) and Community of Interest (CoI)

What is it?	This initiative will establish a CoP to enable government procurement practitioners to share information on challenges and opportunities in integrating recycled content into their procurement practices. It will further establish a CoI to engage a broader group of stakeholders including vendors and researchers.
Strategies	<p>1. Build knowledge - Informal exchange of ideas and knowledge between practitioners, vendors and researchers through the CoP and CoI will support the identification of knowledge gaps and the generation of ideas and collaborations to address them.</p> <p>2. Create awareness – The sharing of experiences and learnings by practitioners will increase awareness amongst the broader CoP of information and opportunities for circular procurement. This awareness raising will be further enhanced through the interaction of practitioners with vendors and researchers through the CoI.</p> <p>3. Develop skills – The CoP will enable the informal transfer of skills between practitioners.</p> <p>4. Support implementation – Has the potential to assist government agencies to identify and progress specific circular procurement opportunities and to facilitate the development of collaborative approaches.</p>
Governance	<ul style="list-style-type: none"> • APCO could provide a secretariat function for the CoP and CoI, including organising events and developing collateral. • Participation in the CoP will be open to any government agency (local, state, territory and Commonwealth). • An information sharing platform for the CoP could be provided by APCO (for example, Dropbox). • Participation in the CoI will be open to government agencies (local, state, territory and Commonwealth), providers and vendors of recycled materials and products, and researchers. • Could seek to collaborate with other initiatives e.g. Buy Recycled Expos.
APCO's Commitments	<ul style="list-style-type: none"> • Drive the establishment of the CoP and CoI and provide act as an independent secretariat. • Facilitate information sharing by providing an online platform and online events.
Benefits	<ul style="list-style-type: none"> • Enables sharing and building of knowledge between jurisdictions and levels of government that would otherwise not occur. • Low cost and complexity of implementation. • Creates a platform for practitioners and other interested parties to identify opportunities for collaboration.

Opportunity 3 – Procurement Toolkit

<p>What is it?</p>	<p>This initiative will see the development and promotion of a procurement toolkit for governments to develop their skills to integrate recycled content considerations into their procurement practices and assist them in overcoming common challenges. The toolkit could include:</p> <ul style="list-style-type: none"> • Guidance documents (e.g. could be similar to <i>WRAP Cymru's Public sector guidance on the procurement of plastics</i>). • Webinars on specific issues (e.g. How to set a realistic recycled content target in an RFP). • Model training sessions for procurement practitioners. • Case studies and resource kits to support implementation of high-potential circular procurement opportunities. <p>The toolkit would be promoted through all appropriate channels and made available for use by all stakeholders.</p>
<p>Strategies</p>	<p>1. Build knowledge - This initiative would develop guidance, with the help of procurement and circular economy experts, to upskill government procurement professionals and assist vendors to understand and meet government needs.</p> <p>2. Create awareness – The toolkit will build awareness amongst practitioners of the breadth of information available on circular procurement opportunities and how to access and use it.</p> <p>4. Support implementation – Case studies and resource kits on high-potential circular procurement opportunities (e.g. crushed glass in civil construction) would support implementation of these opportunities.</p>
<p>Governance</p>	<ul style="list-style-type: none"> • APCO will seek to work with interested government agencies and procurement and circular economy experts to develop and deliver the toolkit. • Potential to structure the initiative as a partnership between governments and other key stakeholders. • Contributions will be sought from government agencies on best practice and case studies.
<p>APCO's Commitments</p>	<ul style="list-style-type: none"> • Lead delivery of initiative, preferably in active partnership with government agencies and other organisations.
<p>Benefits</p>	<ul style="list-style-type: none"> • Responds to an expressed need from the market for procurement guidance and tools, identified through this project. • Opportunity to engage many stakeholders in the process.

Conclusion and next steps

Recently the commitment and activities of governments to progress circular procurement have increased. This has included agreement to increase circular procurement under the National Waste Policy Action Plan, incorporation of circular procurement into procurement policies and guidelines, pilot projects, and research to overcome technical barriers and develop standards. The opportunities outlined in this paper will augment these continuing efforts.

APCO will engage with government agencies and other key stakeholders to develop an implementation strategy for the three opportunities, for delivery in the first quarter of 2021.



To contact APCO please visit our website
www.apco.org.au

