

**ADVANCING CLIMATE,
ENVIRONMENTAL AND SOCIAL GOALS
THROUGH PUBLIC PROCUREMENT**



RREUSE is Europe’s largest network of social enterprises active in the circular economy, with a focus on reuse, repair and recycling. Our mission is to empower, represent, and support the social and circular enterprise community. We help drive its development through effecting positive change in European policy, facilitating the exchange of best practices, and fostering meaningful partnerships. Social enterprises in our network annually collect over 1,2 million tonnes of goods with the intention of reuse. They provide jobs, skills and training opportunities to over 110,000 individuals, the majority of whom are at risk of social exclusion and face barriers in the mainstream labour market. RREUSE members create, on average, 70 inclusive, local jobs per 1,000 tonnes of goods they collect with the intention of giving them a second life through reuse.

Advancing climate, environmental and social goals through public procurement

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EXECUTIVE SUMMARY

- Public procurement represents a **significant opportunity** for public authorities to leverage their public budget spending for the pursuit of policy objectives.
- Research that underpins this report focused on green and social clauses in public tenders to provide a snapshot of how public authorities can use socially responsible and green public procurement to help achieve a low-carbon, circular, and inclusive economy.
- Social enterprises have decades of experience in reuse activities and are widely recognised as **circular economy pioneers**. Their mission of promoting social inclusion and local reuse makes them key actors in **ensuring a just transition** to a low-carbon circular economy. While **maintaining products' value** in the economy for longer, social enterprises also focus on providing **job and training opportunities** for people who face barriers in the mainstream labour market.
- **Socially responsible public procurement** may pursue different specific objectives and involve different approaches, such as using reserved contracts for social enterprises, structuring selection criteria in a manner that promotes social inclusion, or adding requirements and technical specifications in line with the desired impacts. This study is primarily focused on the involvement of social enterprises with the aim of providing job and training opportunities to individuals who face barriers in the mainstream labour market.
- **Green public procurement** is characterised by public authorities seeking to procure goods, services and works with a reduced environmental impact. Within that, circular public procurement aims to establish tender conditions and criteria in such a way that bidders who prioritise waste prevention, re-use, and other circular activities have a competitive advantage.
- The Public Procurement Directive – the EU's core legislative instrument in this area – makes it clear that social and green provisions can be considered at all stages of the procurement process. However, these **provisions are voluntary**, and the European Commission estimates that opportunities to advance social and green procurement are **insufficiently used**.
- Cases of concrete public tenders as well as related policy measures in this report come from Ireland, the United Kingdom, France, Spain, Croatia and Austria. They cover the product/waste streams of construction and demolition, furniture, paint and textiles, and they include different procurement approaches, ie open procedure, negotiated procedure, and framework agreements as well as reserved contracts.
- Whereas there are many benefits to socially responsible and green public procurement involving social enterprises, **many challenges remain** in the implementation of this approach. Among other issues, every public tender in the EU (55%) still refers to the lowest **price as the only selection criterion**.
- Where price is the only criterion, social enterprises are typically excluded a priori as they face **higher upfront costs** than mainstream businesses and reinvest profits in their social and environmental missions. This leaves limited room for social enterprises to be able to compete on tenders on the basis of price offered. Due to their economies of scale, large mainstream companies can almost always offer lower pricing.

- Fundamentally, there is a lack of social and green clauses in public tenders altogether for various reasons, including the **lack of awareness** on the part of public authorities involved in public procurement processes that they have the formal basis to include such clauses in the public tenders.
- Research also points to a lack of knowledge about social economy models and activities by public procurers as well as the related **scarcity of examples** of public bodies procuring reused goods that could stimulate further uptake. **Negative perceptions** among procurers, employees, or specific individuals involved in public tender preparation regarding the quality of reused goods may pose an additional obstacle. Furthermore, social enterprises often struggle with the **complexity, length and scale of procurement processes** and are often unable to meet the requirements such as minimum turnover thresholds.
- Where social and circular tenders are implemented, the collection and management of **impact data** demands specialised knowledge and additional efforts that may not always be feasible due to financial and time constraints.
- Our recommendations to public authorities include:
 - the creation of public bodies/officers acting as procurement facilitators; pilot projects,
 - market dialogues and other pre-tender interactions;
 - the promotion of circular construction and procurement through clear standards;
 - flexible requirements and specifications through negotiated procedures;
 - reserved contracts;
 - best price-quality ratio criteria as the default option;
 - limiting the scope of tenders and simplifying procedures as well as allowing bids by consortia to make the public tenders more accessible to SMEs including social enterprises;
 - capacity-building measures;
 - clear and enforceable targets for social and circular objectives;
 - and meaningful monitoring, data collection and knowledge sharing.
- As the current Public Procurement Directive turns ten years old, a voluntary approach toward social and environmental considerations has shown unsatisfactory results in tuning public procurement to public policy goals. Our main policy recommendation, therefore, is for **social and green criteria to be made mandatory and used jointly**, particularly in key sectors that can promote an inclusive and just green transition.

INTRODUCTION

The current linear economy operates under the false premise of infinite resources. It is accelerating resource depletion and waste generation, and aggravating the climate emergency. Environmental policies must include strong focus on reuse and repair to achieve circularity and reduce the overall resource use.

On the socio-economic side, the ongoing permacrisis has had a significant negative impact on households and businesses across Europe. As of December 2023, almost 13 million people in the EU were unemployed, and more than one-fifth (21,6%) of the EU population was at risk of poverty or social exclusion in 2022. There are many further indicators of a worrisome socio-economic situation that requires high-impact policy response.

There is a major opportunity for public authorities to promote a more circular and socially inclusive economy. This opportunity lies in public procurement¹ which annually amounts to around 2 trillion euros and accounts for 14% of the EU's GDP.²

The main objective of this report is to explore and demonstrate how public procurement can be used to help achieve a low-carbon, circular, and inclusive economy. As we explain in more detail in policy recommendations, the main requirement for this to happen is a systematic shift to socially responsible and green public procurement.

Socially responsible public procurement

The particular objectives of socially responsible public procurement vary widely – from tackling unemployment, promoting social inclusion for persons with disabilities, and working in partnership with social enterprises to promoting fair trade and human rights.³ Within that range, this study is primarily focused on the involvement of social enterprises with the aim of providing job and training opportunities to vulnerable groups.

Socially responsible public procurement may involve using reserved contracts for social enterprises, structuring selection criteria in a manner that promotes social inclusion, or adding requirements and technical specifications that are in line with the desired impacts. Possibilities to promote social procurement exist at the pre-procurement, procurement, and post-procurement stages.⁴

The European Commission acknowledges that socially responsible public procurement “helps public authorities deliver quality services and products to their communities, to achieve additional social and ethical benefits even when budgets are limited”.⁵

Beyond the immediate beneficiaries, socially responsible public procurement has the potential to influence

broader market dynamics on supply and demand and stimulate the local economy. Indeed, this procurement approach is essential to create a more enabling environment for social enterprises. As the European Parliament pointed out, “the inclusion of environmental and social requirements in tenders can be essential to the development of the social economy sector”.⁶

Thus, socially responsible public procurement is not just about buying goods or services; it is an opportunity for public spending to create long-lasting social value and wellbeing for all.

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Green public procurement

Traditional public procurement has largely been driven by securing the lowest possible price and disregarding the possibility to promote environmental and climate goals such as the transition towards a circular economy and to minimise CO₂ emissions. Contrary to this, green public procurement is “a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact”.⁷

Within that broader approach circular public procurement – the focus of this report – seeks to “contribute to closed energy and material loops within supply chains, whilst minimising, and in the best case avoiding, negative environmental impacts and waste creation across their whole life cycle”.⁸

In other words, as a procurement strategy, circular public procurement aims to establish tender conditions and criteria in such a way that bidders who prioritise waste prevention, reuse, and other circular activities have a competitive advantage.⁹

While the study and implementation of circular procurement remain relatively underdeveloped, interest has grown in recent years. However, current initiatives within circular procurement often focus on recycling, and this needs to change. Namely, the transition to a low-carbon circular economy will require the enactment of the waste hierarchy that prioritises waste prevention and preparing for reuse.¹⁰

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WASTE HIERARCHY

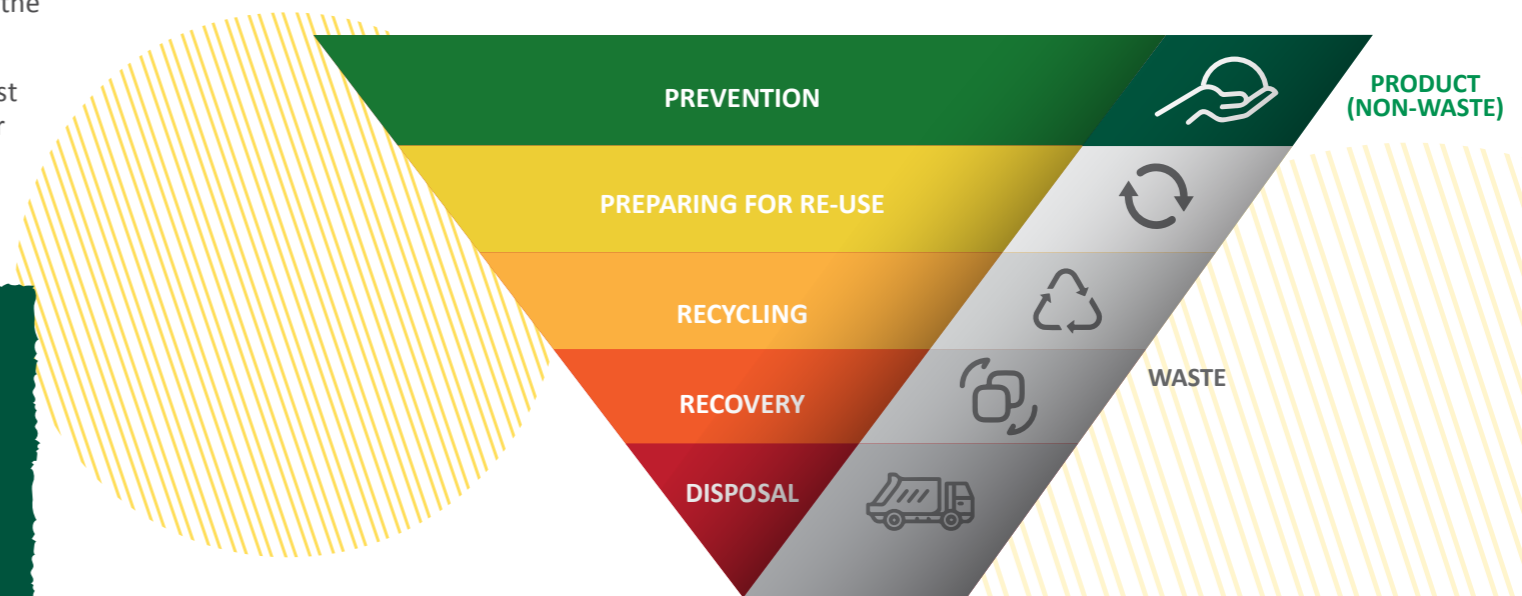


Figure 1: The waste hierarchy as established in the EU Waste Framework Directive¹¹

THE UNDERUSED BENEFITS OF REUSE

There is an indisputable link between resource use and the climate emergency: According to the Global Circular Gap Report, 70% of greenhouse gas emissions are linked to material handling and use.¹² However, under the current linear consumption model, only a small share of products and waste is reused, repaired or recycled.

In 2020, the European Union generated over 2,1 billion tonnes of waste. This means that around 4,8 tonnes of waste were generated per inhabitant on average.¹³

The disposal of goods leads to an enormous loss of value. This is evident in the loss of embedded materials and energy employed for their production.

The environmental arguments in favour of reuse are clear. Research shows that reusing substantially decreases the impact on the environment compared to recycling.¹⁴ For instance, reusing structural steel sections of buildings reduces environmental impact by 96%.¹⁵ Doubling the useful lifespan of clothes decreases the fashion industry's CO₂ emissions by 44%.¹⁶

Furthermore, reuse also holds socio-economic importance. On average, social enterprises active in the reuse sector create 70 jobs per 1,000 tonnes of goods collected with a view of being reused.¹⁷ The job creation potential of reuse is significantly higher than that of recycling. Moreover, social enterprises provide accessible training adapted to the needs of vulnerable individuals.¹⁸

to the detriment of social and environmental impacts, and in nine Member States this share rises to over 80%.²⁰

Clearly, Member States are not fully exploiting possibilities to use public procurement as a strategic tool to advance social and environmental objectives. As we further elaborate in the final section of this report the weak implementation of social and green considerations – a decade after these were legitimised by the Public Procurement Directive – calls for a shift from voluntary to binding requirements.²¹

LEGAL SPACE FOR SOCIAL AND GREEN CONSIDERATIONS

The Public Procurement Directive (EC 2014/24/EU) explicitly grants public bodies the possibility to include social and green considerations within tendering procedures.

Article 67 promotes the concept of More Economically Advantageous Tender (MEAT) based on a Best Price-Quality Ratio (BPQR). Accordingly, tenders include social, environmental and innovation considerations in addition to economic considerations.

Moreover, the use of the life-cycle costing approach is encouraged. This approach includes all the costs associated with the goods or services provided over the whole life cycle of the product or service, rather than only the upfront costs. Therefore, life-cycle costs can include costs related to maintenance, end-of-life disposal, or even costs associated with environmental externalities.²²

Sector-specific legislation

Another key element of the procurement policy landscape in the European Union is sector-specific legislation. This offers additional opportunities to embed social and green requirements within procurement processes.²³ Setting up employment targets or promoting reuse activities led by social enterprises within sector-specific legislation can be critical to accelerate the transition to a more inclusive and circular economy.

For instance, the Ecodesign for Sustainable Products Regulation (ESPR) envisions mandatory technical specifications, selection criteria, award criteria and contract performance clauses or targets applicable to public contracts. The ESPR empowers the EU Commission to introduce mandatory criteria for green public

procurement via a delegated act. In another example, a recent agreement on the new construction products regulation foresees the possibility for public bodies to use sustainability, including reused and remanufactured products, as one of the criteria for construction tenders.²⁴ This would significantly contribute to a wider uptake of reused building components and materials.

Non regulatory initiatives

In addition to policy initiatives, the European Commission has also undertaken capacity-building and research work that is relevant to this report.

In 2017, the European Commission published a guide to promote a circular economy via public procurement. In 2020, it released a collection of 71 socially responsible public tenders, and, in 2021, an updated Buying Social guide, thereby helping public buyers to integrate social considerations to promote employment, decent work, and social inclusion. In addition to research initiatives, the 2021 Social Economy Action Plan foresees training opportunities and platforms for the exchange of best practices to facilitate social economy actors' involvement in procurement procedures. Similarly, the Green Public Procurement (GPP) Helpdesk operated by AIEDL and ICLEI on behalf of the European Commission supports stakeholders by answering questions, disseminating good practices, and hosting webinars, among other activities. However, despite potential synergies, many initiatives

are often led by separate departments, which creates a fragmented and siloed approach to public procurement at EU level at the expense of converging social and environmental considerations.

Research approach

Research that underpins this report focused on green and social clauses to provide a snapshot of how these contribute to a low-carbon, circular and inclusive transition.

Our methodology included desk research, survey questionnaires for public bodies and social enterprises involved in public procurement processes, semi-structured interviews, and an analysis of the legal frameworks, as well as of administrative and technical aspects of specific public tenders.

Case studies cover different product groups and waste streams with a special focus on construction and demolition due to the high levels of associated carbon emissions. In addition to seven specific public tenders, the report also presents two related examples: one, of support structures and an overall strategy in the case of the Paris 2024 Olympic Games, and two, of a national law that could significantly reduce climate and other environmental impacts of construction and demolition.

TABLE 1: Main formal features of the examined public tenders

Main features	Main variations
Procurement approach	<ul style="list-style-type: none"> Open procedure Negotiated procedure Framework agreement
Reserved contract	<ul style="list-style-type: none"> Yes No
Award criteria	<ul style="list-style-type: none"> Share of price in total award criteria Technical capacity and/or expertise Green criteria (yes/no) Social criteria (yes/no) Other criteria
Type of bidders allowed	<ul style="list-style-type: none"> Individual organisation Consortium

GEOGRAPHICAL DISTRIBUTION OF CASES INCLUDED IN THIS REPORT



CASE STUDIES



CONSTRUCTION AND DEMOLITION



GREEN WASTE



FURNITURE



ELECTRICAL APPLIANCES



TEXTILES



PAINT

CASE 1

BUYING SOCIAL AND CIRCULAR FOR THE OLYMPIC GAMES



FRANCE

Olympic Games require major investments in public procurement. This case study presents the multiple measures and initiatives taken to promote social and circular public procurement for the 2024 Olympic Games in Paris.

The Athletes' Village alone covers 148,200 m² and will provide 2,200 accommodation units to host around 10,500 athletes. Given that athletes will only stay for about two months and that needs will be different after the Olympic Games, a circular economy approach is essential to reduce the impact of manufacturing and waste.

A key component of reducing negative environmental impacts for the Paris Olympics was prioritising renovation over new construction, thereby promoting material sufficiency and preventing waste. 95% of the proposed buildings and facilities already existed before the works started. Circular public procurement was also promoted through the reuse of furniture²⁵ for the event.

Reuse was rightfully seen as a major strategy to improve the carbon performance of the Olympic Games. It generates twofold CO₂ savings: materials are not landfilled and they also substitute the production of new materials.

Furthermore, the Paris 2024 Olympics aims to be a landmark athletic event in its commitment to social inclusion.

The following actors play a central role in this case study:

The Paris 2024 Organisation Committee is an entity in charge of planning, organising, financing and delivering the Olympic Games. The committee is responsible for temporary structures.

SOLIDEO is a public body specifically created for the Paris 2024 Olympics to develop permanent infrastructure. That includes new constructions as well as renovations with the overall investment budget of €3.2 billion. This includes 1.4 billion from the French State and local authorities. SOLIDEO has the same powers as a public development authority and operates under the joint supervision of three French Ministries (the Economy, Finance and the Recovery; National Cohesion and Relations with Local Government; and Sport). It is led by a board of directors,²⁶ an audit committee and an ethics committee.

ESS2024 was the result of a partnership between the Paris 2024 Olympics, SOLIDEO, Les Canaux (a nonprofit body that supports organisations working innovatively for a fairer economy) and the Yunus Centre (a global social and solidarity economy resource centre). It provides services such as information sharing, advice and training to social, small, and circular businesses to help them respond to public procurement tenders. It has actively contributed to the fulfilment of socially responsible procurement goals by supporting social economy actors in obtaining public contracts associated with the Paris Olympics 2024.

Booster du Réemploi is an alliance that unites key stakeholders in the construction sector with a focus on reuse. It supports Looping, a platform designed to stimulate the supply of reused building components while calculating their associated environmental benefits. In 2022, a specialised unit was established to address issues such as the pooling of resources, assistance in technical aspects of reuse, sourcing suppliers or logistics and storage solutions in connection with the Olympic Games.

Approach to socially responsible public procurement

Central to the objective of promoting social inclusion is the Paris 2024 Social Charter.²⁷ This charter promotes socially responsible public procurement through:

- the inclusion of social clauses into calls for tender;
- the promotion of opportunities for social enterprises and small and medium-sized enterprises (SMEs);
- a commitment to decent and inclusive work, particularly for individuals who face barriers in the mainstream labour market.

The Paris 2024 Social Charter is also instrumental in the creation of a transparent and inclusive governance framework. This includes a consultative committee with employee and employer organisations and local authorities as members to monitor implementation.

To implement the Paris 2024 Social Charter, SOLIDEO adopted the Charter in Favour of Employment and Territorial Development. This charter outlines the

commitments and actions that will ensure social inclusion and employment opportunities as part of the preparations for the Paris Olympics 2024.

These commitments include the following targets:

- At least 25% (€536 million) of the total amount of contracts awarded within the SOLIDEO's remit must go to SMEs or actors from the social economy.
- At least 10% (2,475,000) of the required working hours must be granted to individuals who face barriers in the mainstream labour market.²⁸

The latter target can be more easily enforced than the former because award criteria in calls for tender can include 5 or 10 points for the bidder's ability to comply with this requirement. Furthermore, this requirement for socially inclusive employment is converted into a contractual obligation for the successful bidder, and up to 10% of the funding can be withheld if the target is not met upon the conclusion of the tendering procedure.

The fulfilment of the 25% target presents a more complex challenge as it is not about individual contracts but about the share of all contracts overseen by SOLIDEO, and contracts cannot be awarded solely on the prerequisite of fulfilling this target.

A number of strategies have been deployed to facilitate the attainment of this target, such as:

- Certain contracts were reserved for social enterprises.
- SOLIDEO cooperated with ESS2024 and Enterprises2024 that help social enterprises access public procurement opportunities and assist SMEs, respectively.



The establishment of ESS2024 has played a vital role in integrating social enterprises into the bidding process for public contracts associated with the Paris 2024 Olympics. As a result of its activities, around 6,000 social enterprises have received support and nearly 500 have been involved in the organisation of the Paris Games.

ESS2024 primarily engages in three types of actions presented in Table 2 below.

TABLE 2: Actions taken by ESS2024

ESS2024's actions	Description	Purpose
Disseminating information and mobilising	Proactively reaching out to social enterprises to inform them about relevant tender opportunities and provide necessary guidance	Encouraging participation
Facilitating communication and partnerships	Facilitating discussions between prospective buyers and social economy entities; helping identify synergies and facilitating the formation of consortiums to bid for major contracts	Helping everyone involved understand respective needs and capabilities, explore partnerships and identify tender opportunities
Promoting a better understanding of the social economy	Giving visibility to social enterprises by assessing their capacity to apply for and deliver on tenders in advance	Convincing the contracting entity to issue a reserved contract

“At the beginning it was challenging to include social enterprises in public tenders because of the scale of these tenders, numerous organisations involved and the tight timeline associated with the Olympic Games that made it impractical to split up larger contracts into smaller ones that could include reserved contracts for SMEs and social enterprises. An additional challenge was that many potential suppliers are small social enterprises without prior experience in public procurement. They had the ability to do the work and implement the tender but they lacked knowledge about how to bid and struggled to carry out the necessary administrative procedures because they did not have prior experience with public tenders. Over time this situation changed with the help of ESS2024. If we had a specific need, we would reach out to them and they would use their huge database of local social enterprises to tell us what organisations could meet our needs. They also helped us prepare and write contracts in a way that facilitated access to social enterprises.”

Julie Fournier, SOLIDEO



Source: Document Projet de Village Olympique

Approach to circular procurement

Circularity, including reuse, has been instrumental in the Paris 2024 Olympics' ambition to organise the event in a sustainable way, meeting the region's urban needs and with regard for the Paris Agreement to the United Nations Framework Convention on Climate Change.

SOLIDEO has implemented a number of strategies to ensure that the Paris Olympics would become an example of circular construction through public procurement. They are presented in Table 3 below.

TABLE 3: Strategies implemented by SOLIDEO

SOLIDEO's strategy	Description	Implementation
Deconstruction	Prioritising the selective dismantling of existing building components within the Olympic Village and surrounding areas with the aim to reuse, repurpose, or recycle materials A specialised firm provided data to assess the reuse potential of these buildings and integrate criteria in subsequent tenders for the deconstruction	In the Olympic Village alone, 17 buildings were deconstructed After careful removal, reusable components were offered for sale to private companies and individuals Over 860 tonnes of materials were reused this way, and building structures were demolished only after component reuse or recycling was no longer possible
Reuse in new construction	Reuse target of 10% by mass for the Olympic Village across seven component categories	no data
Recycling construction waste	Internal target of 90% material and waste recovery for construction sites (vs 70% in the French Law of Energy Transition for Green Growth) ²⁹	Recovery rate of almost 95% (as of Nov. 2023)
Modularity, reversibility and reuse after the event	Buildings have been designed to be adapted and repurposed for future use (see photos showing the floor plan of athlete rooms planned to be converted into apartments as an example of modular and adaptable construction) This will prevent future demolitions and new construction – for example, athletes' rooms have a modular design that will enable turning them into family housing	Olympic Village will have all necessary amenities of a mixed and inclusive neighbourhood A goal was also set to dismantle and reuse 75% of the temporary components such as lifts and flooring, which should prevent over 3,000 tonnes of carbon emissions ³⁰
Furniture reuse	An in-depth study ³¹ that assessed the potential of circular procurement for furnishing the Olympic and Paralympic Village considered four primary models: second-hand, renting, upcycling and buy-sell	Second-hand and renting were found to bring the most budgetary and environmental advantages, but a hybrid approach involving all four primary models was ultimately employed due to concerns about restricted supply and the small size of reuse operators

Outcomes and impact

The Paris 2024 Olympics and in particular SOLIDEO's targets and initiatives are a testament to the possibilities of embracing circular and socially responsible procurement.

Compared to the baseline scenario, the construction and renovation of all venues necessary for the Olympic Games – including the Olympic Village, the Media Village, sport venues, public amenities, and other infrastructure – are estimated to have saved 32% of CO₂ emissions. This amounts to around 160,000 tonnes of CO₂ emissions linked to construction products and equipment. If the whole lifecycle of the infrastructure is taken into account, the saving amounts to 450,000 tonnes of emissions.³²

Compared to the baseline scenario, the construction and renovation of all venues are estimated to have saved 32% of CO₂ emissions.

On reuse, only data related to the reuse of components deconstructed during the first phase of preparation for the Games was available as of January 2024. Over 860 tonnes of materials were reused this way, and SOLIDEO has surpassed the internal target of 90% by achieving a 94% recovery rate in construction activities.³³

Additional environmental measures included embedding climate adaptation strategies in public tenders to ensure that the buildings would facilitate adaptation to future temperature increases. Based on projections for 2050, builders had to comply with the target of having less than 3% of the time when the inside temperature in a building is more than 28°C. Therefore, contracts for the construction of new facilities had a strong focus on thermal insulation, energy efficiency and use of renewable energies.

SOLIDEO also promoted the use of wood for the construction of buildings to prevent CO₂ emissions related to the use of concrete. It also promoted and monitored progress towards biodiversity enhancement in terms of the number of trees, size of green areas, or vegetation on roofs among other priorities. Overall, 6 hectares of green space were created in the Olympic Village.

TABLE 4: Performance on the quantitative social targets

Measure taken	Initial target	Result as of Dec. 2023
Contracts awarded to SMEs or social economy actors	min. 25% of total (€536 million)	38% of total (€780 million)
Working hours for individuals who face barriers in the mainstream labour market	Min. 2,475 million hours (10%)	over 2,7 million working hours ³⁴

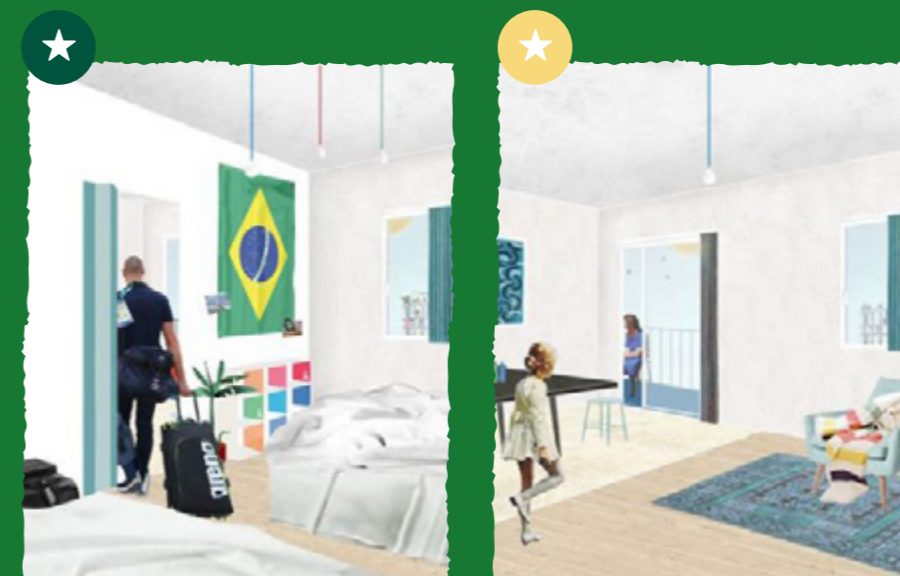
The share of social enterprises among the organisations that have been awarded contracts within the SMEs and social enterprises category is low (only 119 out of 1,954) but social targets (see Table 4) have supported local social enterprises and SMEs and facilitated socially inclusive employment for individuals who face barriers in the mainstream labour market.

Challenges and success factors



CHALLENGES

Complex procurement processes	<ul style="list-style-type: none"> Administrative complexity has posed a major challenge for social enterprises Lack of experience has made it difficult for social enterprises to meet public procurement requirements and respond to public tenders
Time constraints	<ul style="list-style-type: none"> Difficult to divide large contracts into smaller ones under time pressure Limited possibility to implement reserved contracts for social enterprises and SMEs Implementing a tender for reused components for a building requires coordination among suppliers, SOLIDEO and construction entities, and this takes time
Needs vs capacities	<ul style="list-style-type: none"> Tension between the scale of the procurement needs and the ability of (smaller) social enterprises to meet the demand individually or form partnerships with larger entities
Complexity of reuse in construction	<ul style="list-style-type: none"> Reuse requires collaboration and coordination between many parties such as architects, design offices, technical inspectors, insurers, suppliers, demolition firms and customers Any actor can jeopardise the entire reuse initiative, eg technical inspectors' refusal to approve reused emergency lighting units Compounded by insufficient experience and time constraints (see above)
Relatively low awareness among public buyers	<ul style="list-style-type: none"> Lack of awareness of social enterprises' relevance for the circular economy Lack of understanding of how tenders should be formulated so as to encourage social enterprises' bids



Conversion of athletes' rooms into permanent accommodation

Source: Document Projet de Village Olympique

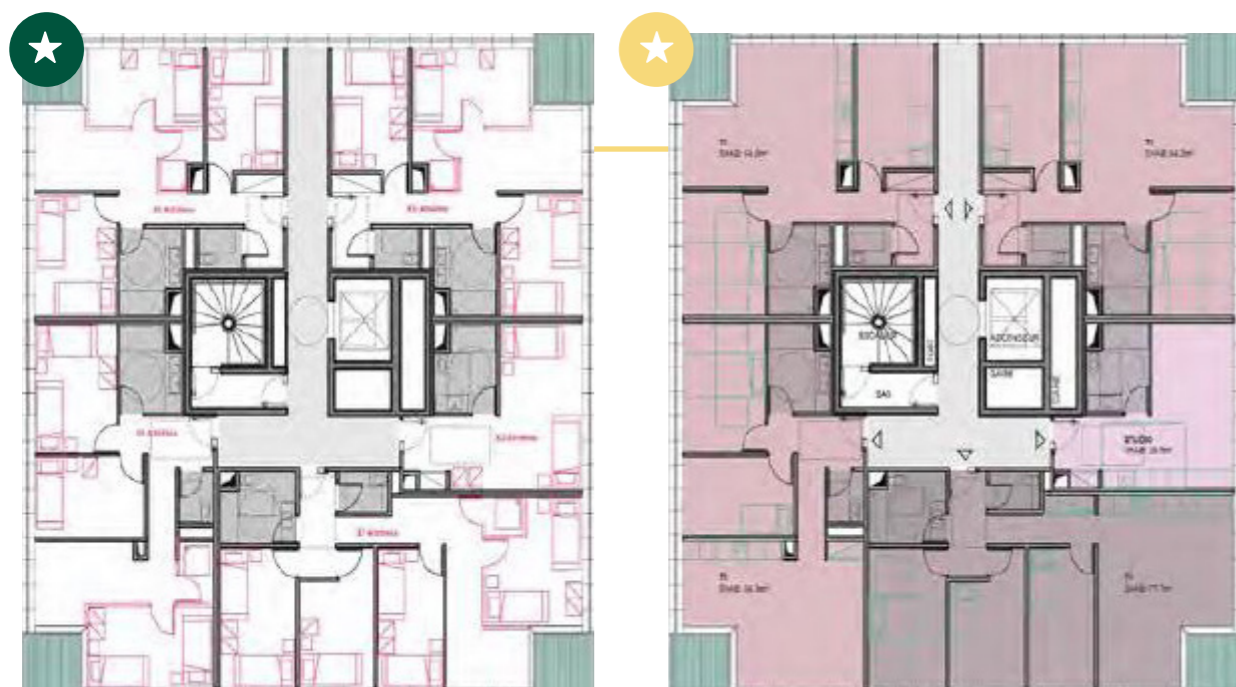
- ★ ATHLETES
- ★ FAMILIES



SUCCESS FACTORS

Dedicated support for social enterprises	<ul style="list-style-type: none"> • ESS2024's database of local social enterprises helped align needs and capabilities • ESS2024's support increased social enterprises' willingness to bid and the quality of their submissions • SOLIDEO's use of reserved contracts further supported for social enterprises' involvement
Targets and policy frameworks	<ul style="list-style-type: none"> • Strong policy frameworks • Quantitative targets • Enforcement (e.g. up to 10% of the funding can be retained if the target of 10% of working hours provided through social employment is not met)
Data monitoring	<ul style="list-style-type: none"> • SOLIDEO's monitoring system ensures progress and compliance with social and environmental goals • Impact data has been collected and shared with stakeholders on a monthly basis to assess progress and intervene if necessary
Dedicated platform to support reuse	<ul style="list-style-type: none"> • Booster du Réemploi has played a pivotal role in advancing reuse activities in construction • Its dedicated unit enhanced the pooling of resources, assisted in technical aspects of reuse, sourcing suppliers or logistics and storage solutions

Conversion into apartments



DURING THE OLYMPIC GAMES ★

- 2 athletes per room
- 1 bathroom per 4 athletes
- 1 living room

AFTER THE OLYMPIC GAMES ★

- 3 rooms
- 2 bathrooms
- 1 living space (with kitchen equipment)

Source: Bian environment



CASE 2

TRANSFORMING DEMOLITION MATERIALS INTO PLANTING SUBSTRATES



CONSTRUCTION AND DEMOLITION



FRANCE

Urban development contributes to the extraction and transport of soil from rural areas. This damages natural ecosystems and requires many kilometres of road transport. In France alone, almost 20 million tonnes of soil are transported into cities every year. At the same time, major urban construction projects generate large amounts of inert soil. For example, it is estimated that the new metro line in Paris, the Grand Paris Express, will produce 40 to 45 million tonnes of excavated soil.

Hence, there is an opportunity for the circular economy to use waste and inert soils to produce reconstituted, fertile soils for urban development works. The local recovery of inert soils, green waste, and construction and demolition waste leads to a reduced need for extraction, transport and disposal of materials. This, in turn, facilitates a reduction in CO₂ emissions.

Within the broader effort to prioritise local, social, and circular activities for the Paris Olympics (see Case study 1), SOLIDEO published a tender to set up experiments for the production and supply of planting substrates from its deconstruction operations, green waste and inert soil. The supply of all source materials other than compost was ensured by SOLIDEO through a separate demolition tender.

neo-eco

Halage

ECT

The primary task was the thorough execution of works related to soil production, including the admission of source materials, mixing, post-treatment and traceability. The aim was to produce high-quality soil substrates – Rendosol and Brunisol, each with different source materials and final desired characteristics – that not only meet operational needs but also contribute to the environmental objectives of the Paris 2024 Olympics.

The reconstituted soil is used as part of the landscaping and ecological development project for the Village des Athlètes in Saint-Ouen-sur-Seine and Saint-Denis.

This was not a reserved contract but the selected consortium was led by Halage, a social enterprise.

“Through this soil reconstitution tender, SOLIDEO aims to promote innovative thinking and actions in terms of environmental management and restoration, and encourages the development of a laboratory of organic matter aimed at defining and experimenting with methods for improving urban soils and restoring inert soils.”

- Call for tenders

Tender overview

Product group	Construction and demolition waste Green waste
Purpose	Producing high-quality soil substrates from deconstruction operations, green waste and inert soil
Procurement approach	Open procedure
Reserved contract	No
Contract awarded to	<p>Three-member “Faiseurs de terre” consortium:</p> <ul style="list-style-type: none"> • Halage, a social enterprise based on L’Île-Saint-Denis that employs around 120 people, 85 of whom are following work integration programme. Halage is active in composting, urban gardening and management of green spaces, among others, and it played a central coordination role in forming the consortium • Neo-Eco, a consultancy specialised in circular activities, with a focus on selective deconstruction and recycling of construction materials • ECT, a company dedicated to the transport, reuse and recycling of excavated soil from construction sites. It employs 190 people and processes up to 13 million tonnes of excavated materials annually
Total value	89,999€
Contract period	October 2020 to October 2021
Award criteria	<p>Technical value (60%)</p> <ul style="list-style-type: none"> • Methodology implemented for the realisation of the service (20 points) • Human and material resources dedicated to the tender (20 points) • Presentation of the envisaged platform to load and deliver the soil (10 points) • Detailed planning of the implementation of the services (10 points) <p>Price (40%)</p> <ul style="list-style-type: none"> • Official max price €89,999 (without taxes) published in the Journal of Legal Announcements • Requirement to submit the ‘Breakdown of the Global and Lump-sum Price’ with a unit price and total price for each product or activity involved in the tender • The evaluators analyse this detailed cost structure to assess the competitiveness and appropriateness of the bid in relation to the tender
Minimum requirements	<p>A rigorous set of administrative and organisational requirements and technical specifications, including:</p> <ul style="list-style-type: none"> • A comprehensive proposal outlining the methodology, resources and controls for the production of reconstituted soil with detailed descriptions of the approach, allocation of material and human resources, method of works execution, a timeline of the different phases and soil movements, objectives, checkpoints and controls at various stages of the process • Suppliers must conduct quality control and quantitative monitoring of all stocks and flows • Compliance with the legislative and normative framework to meet the legal, health, safety and quality standards of the project • Rendosol is made up of 20% crushed concrete, 20% compost and 60% inert soil. Brunisol is made up of 60% crushed concrete, 30% compost and 10% inert soil. The tender included very precise further specifications of inputs and outputs

Outcomes and impact

Through this public tender, 1,500 cubic metres of natural soils were preserved and hundreds of kilometres of road transport were avoided. While concrete data on CO₂ emissions prevented through this tender was not collected, CO₂ emissions from trucks in the EU range between 57 and 307 grams of CO₂ per kilometre and per tonne of material transported.³⁵

Moreover, the use of reconstituted soil to develop green spaces increased local natural habitats. This improved the ecological continuity of Paris’ green network and the resilience of local ecosystems from local wild plants and reconstituted soils.

TABLE 5: Overview of the positive outcomes and impact

Environmental	Social	Other
Preservation of natural soils	Upskilling and reskilling	Visibility and reputational gains for the social enterprise
CO ₂ emissions from road transport prevented	Formal training opportunities	Evidence of social enterprises’ capacity to innovate and deliver positive outcomes in major public tenders
Increased and more resilient local natural habitats	Access to the mainstream labour market	Cost savings
	Self-confidence and motivation	

This public tender also promoted inclusive training and employment opportunities in a new, green and innovative field.

Halage’s tailored training programme focused on reskilling unemployed individuals. They were trained in the preparation of soils from recovered materials, including compost production, creating fertile substrates, and using construction and demolition waste as a material. They also gained an increased awareness about the need to preserve these valuable resources and an understanding of the market.

All individuals who completed this training secured formal training opportunities or work contracts in the mainstream labour market. Halage has also established dedicated positions for these roles, introducing a new local, non-offshorable and green job: the “soil makers”.

Moreover, participating in the preparation for the Paris Olympics had a significant positive impact on integration workers’ self-confidence and motivation.

As Halage, a social enterprise, assumed the primary role and coordination responsibilities within the consortium, this public tender enhanced Halage’s visibility, reputation and legitimacy. It also serves as evidence that social enterprises active in the circular economy possess the capacity to innovate and deliver positive outcomes in major public tenders.

From an economic point of view, it is estimated that the local production of reconstituted soils cuts costs by almost 75%, compared with traditional techniques. This is mostly due to the reduction in transport and purchase of materials.



Photos: Association Halage

Challenges and success factors



CHALLENGES

Complex procurement processes

- Length and complexity of the procurement process regarding administrative as well as technical requirements



SUCCESS FACTORS

Dedicated support for social enterprises

- Crucial role of Les Canaux, a Paris-based social enterprise
- Les Canaux, in collaboration with Centre Yunus and supported by Paris 2024 and SOLIDEO, established the ESS2024 platform (see Case study 1)

History of collaboration among consortium partners

- Prior cooperation and trust among consortium members considered essential for the forming of a partnership for this public tender

Synergies

- The consortium generated positive synergies due to the organisations' different areas of expertise
- Halage and NeoEco brought the essential knowledge in circular economy practices to convert construction and demolition waste and green waste into fertile soils
- ECT contributed expertise, infrastructure and machinery for managing and transporting large quantities of soil



For our integration workers this was very important. They could feel that they were part of an international event. They felt that they were among the ones making the Paris Olympics possible. That gave them motivation and confidence.

Stéphane Berdoulet, Association Halage



CASE 3 FURNISHING OFFICE SPACES IN A CIRCULAR FASHION

FURNITURE



IRELAND

Green public procurement was identified as a key instrument in Ireland's Climate Action Plan and Circular 20/2019, but there have been very few tenders that prioritised reuse and upcycling. One such tender is the subject of this case study.

In 2019, the National Waste Collection Permit Office (NWCPO) was required to move out of the main Offaly County Council building into a new unfurnished office space in Tullamore, Ireland. The [National Waste Collection Permit Office](#) (NWCPO) is a shared service initiative that commenced operations in 2012 to provide services on behalf of all 31 local authorities. The primary function of the NWCPO is the processing of waste collection permit applications.

As an authority in the resources sector, the NWCPO saw the required move as an opportunity to innovate and prove the potential of circular public procurement. Therefore, the NWCPO specified in the Request for Tender that all furniture for the new office space should be second-hand.

The tender's value did not surpass the procurement thresholds established by both Irish and European Union regulations and thus, the process to select a supplier was subjected to less stringent criteria. This is in accordance with the flexibility allowed for lower-value contracts, which are not bound by the formal procedures mandated for tenders exceeding the thresholds.



The request for quotation was issued to multiple potential suppliers. The NWCPO encouraged suppliers to form partnerships or consortia to submit a group quote. This was considered essential in facilitating an adequate response.

The project was eventually awarded to Community Resources Network Ireland (CRNI), the national network of social enterprises active in the circular economy. CRNI's consortium reputation and expertise in the field of reuse and its capacity to work in conjunction and coordinate a consortium of several organisations active in reuse were regarded as key factors. CRNI responded to the Request for Quotation with a consortium of two key suppliers, which response included an estimate of sourcing and delivery arrangements, costing, and images of possible items to be sourced for the project.

Thus, CRNI had a unique position due to their cooperation, established position and expertise in the sector, compared to other potential candidates. It carried out the coordination of over 10 suppliers, managed the logistics and coordinated the design approach.

Tender overview

Product group	Furniture
Purpose	Procuring second-hand furniture for the new office space of the National Waste Collection Permit Office
Procurement approach	Negotiated procedure
Reserved contract	No
Contract awarded to	Community Reuse Network Ireland (CRNI) , a network of community-based reuse, recycling and waste prevention organisations that promotes reuse and social inclusion through campaigning, networking and research, among others
Total value	25,000€
Contract period	June 2019 – December 2019
Award criteria	The selection criteria ³⁶ mostly focused on the organisations' response to the Request for Quotation, but it also considered delivery time, compliance with technical specifications and suppliers' reliability and experience in the reuse sector
Minimum requirements	<p>To provide upcycled furniture to the NWCPO, suppliers were required to:</p> <ul style="list-style-type: none"> • Ensure coordination with the tenderer for the strategic placement and installation of furniture, while taking into account its compatibility with existing electrical fixtures • Supply, assemble, install and place all items as shown on the plan. The entire process, from delivery and installation to protection of the building and on-site health and safety, was within the supplier's remit • Ensure adequate protection of walls and floors, internal linings and access ways used for distribution of furniture, and to manage both delivery access and parking logistics directly to the building • Outline a comprehensive returns policy for damaged or faulty items, ensuring options for full refunds or appropriate replacements • (if suppliers opted to form a consortium) Disclose the details of all group members, providing proof of their agreement and designating a single contact person to represent the group • The group members remain jointly and severally liable with respect to the contract for 12 months beyond the conclusion of the longest guarantee period offered for any products acquired from the group. Thus, each supplier within the group is accountable not only for their specific contribution, but for all obligations outlined in the contract. • Upon completion of the installation, submit a proof-of-concept report with information, e.g. cost savings and lessons learned, with its content and format determined in agreement with Offaly County Council

Outcomes and impact

In total 97 pieces of furniture were reused through this tender. The sourcing of second-hand furniture instead of new items prevented approximately 2,6 tonnes of CO₂ emissions. This is the equivalent of planting 180 evergreen trees.³⁷

As in other cases, reusing goods reduced the need for new products. This means a reduction in raw material extraction, manufacture, and transport as well as waste.

TABLE 6: Overview of the positive outcomes and impact

Environmental	Social	Other
Reuse of 97 pieces of furniture	Contribution to job creation and social inclusion	Showcasing the feasibility and potential of circular public procurement
Approximately 2,6 tonnes of CO ₂ emissions prevented		Overcoming negative perceptions about the quality and availability of reused products
Reduction in raw material extraction, manufacturing, and transport as well as waste		Demonstrating that social enterprises active in the reuse sector can meet expectations while also generating a positive social and environmental impact

We had an open day here in November 2022 and everybody who came was just blown away by the way the place looks. The people who come in for the first time are very impressed. All this was prepared by local social enterprises, where unemployed people were getting work experience and training. The irregular nature of the reuse sector was a little bit of a challenge because there was no central repository where we could get any furniture, you couldn't open a catalogue and choose. We had to coordinate and adapt to the space and to the available second-hand furniture. So it was a matter of, I suppose, creative problem solving.

- Maria Brennan Foynes, NWCPO

This was the first tender of this kind in Ireland, nobody had done it before. I think it would have been more difficult to deliver on a large tender, at least for the first time. Because it was small scale, we didn't have to go through the full tender process, we could just request a quotation. That simplified the process.

- Maria Brennan Foynes, NWCPO

By working with social enterprises federated by CRNI, this tender supported access to jobs and skills for individuals who face barriers in the mainstream labour market.

The CRNI saw this project as an excellent opportunity to demonstrate the capacity of its members to get involved in public tenders and deliver quality goods, and the public tender overall showcased the feasibility and potential of circular public procurement.

Hence, this public tender was of great importance in promoting Ireland's circular agenda and overcoming negative perceptions about the quality and availability of reused products.

The tender demonstrated that, with a flexible approach, social enterprises active in the reuse sector are able to cooperate and meet expectations while also generating a positive social and environmental impact.

Challenges and success factors



CHALLENGES

Sourcing of specific goods

- Reuse operators lack full control over the items they collect. Consequently, it is not always feasible to source goods with precise specifications

Perception of second-hand goods

- Concerns about the quality of delivered goods and negative perceptions of second-hand goods



SUCCESS FACTORS

Collaboration and expertise

- The awarded consortium, led by the CRNI, brought together multiple organisations with expertise within the reuse sector
- This made it possible to overcome the potential challenge of the small scale of the reuse sector and to meet the requirements

Flexible approach to specifications

- The NWCPO prioritising the functionality of items over uniformity and focusing on product requirements
- Flexibility in allowing a phased approach to furniture installation mirroring the gradual relocation of staff to the new building
- This approach transformed a challenge into an advantage, resulting in a unique design and office environment

Coordination and clear communication

- Effective communication
- Clear points of contact with the NWCPO
- Recurrent meetings within the consortium

Quality management

- The CRNI's commitment to quality management ensured that the overall design quality was consistently high across all furnished areas of the new building

Stakeholder engagement

- Engaging staff in the process was essential to create excitement about the initiative and overcome initial concerns about the quality of second-hand goods

Storage

- No storage facilities were planned to be provided on-site but the NWCPO decided to provide the yard area of their offices for cleaning and assembly of furniture
- This prevented extra cost that would have occurred if a warehouse were needed



BEFORE



Boardroom



Reception office



Lobby seating



Chill out room



AFTER



CASE 4

SECOND-HAND FURNITURE FOR TEMPORARY HOUSING

FURNITURE



SCOTLAND

Scotland Excel, the Centre of Procurement Expertise for Scotland's local authorities and government sector that manages £2 billion on behalf of the Scottish Government, began working with local governments in 2012 to develop a framework for the provision of furniture for temporary housing needs.

In 2015, discussions on adding a second lot for reused goods to the initial procurement framework for furniture began between a Member of the Scottish Parliament, Scotland Excel and Circular Communities Scotland.

Circular Communities Scotland is the national membership organisation for charities and social enterprises active in the circular economy. The network represents and supports over 250 organisations in Scotland and aims to promote a thriving circular economy with social, environmental and economic impacts. Circular Communities Scotland was supported by Zero Waste Scotland, the not-for-profit environmental organisation funded by the Scottish Government, to advocate for reuse in public procurement with Scotland Excel. Along with a technical group including local authority representatives, Scotland Excel assessed various aspects related to the supply of second-hand goods, including scope, availability, quality and safety. They provisionally agreed to include a lot dedicated to reused furniture in their Domestic Furniture and Furnishings Framework that helps Scottish public bodies, including councils and housing associations, "to buy a comprehensive range of domestic furniture and furnishings, enabling people to live independently or to be supported in temporary accommodation via the Scottish Welfare Fund".³⁸

The public tender to conclude a framework agreement with suppliers of both new products (Lot 1) and reused items (Lot 2) was made public in April 2016. This case study focuses on the framework agreement for Lot 2.

Circular Communities Scotland formed a steering group and took the lead in preparing the tender response. Circular Communities Scotland consulted its membership, providing them with information about the necessary legal requirements and other obligations. This resulted in the formation of the Reuse Consortium. Initially funded by Zero Waste Scotland in the pre-tender phase, the consortium embarked on a pilot project to test out supplying goods within a small area of local authority. Once the partnership structure was finalized, Circular Communities Scotland coordinated all the necessary meetings and documentation for the tender submission. The steering group agreed on the pricing strategy and ensured that all members complied with procedural requirements, such as the use of Zero Waste Scotland's quality assurance standard, the Revolve mark.³⁹

The Reuse Consortium's bid was successful, and the partnership subsequently engaged with all local authorities in Scotland to emphasise the multiple benefits of purchasing reused furniture through the Scotland Excel framework.

The Reuse Consortium provides a simple online ordering system developed by Circular Communities Scotland⁴⁰ where public sector organisations can request high-quality reused furniture and automatically receive the invoice from the local reuse operator delivering the items.

Local authorities can choose from a catalogue of 34 types of items. Upon selecting the items, an order is placed with the relevant consortium member in the respective region. The consortium member then contacts the recipient and has 48 hours to supply the items.

The system is continually monitored and progress is tracked by the Reuse Consortium Coordinator at Circular Communities Scotland. The Coordinator acts as the main contact for consortium members, buyers and Scotland Excel.

Apart from providing second-hand furniture to Social Welfare Fund recipients through the Scotland Excel tender, Reuse Consortium now supplies furniture and white goods to Local Authority Homeless teams and a Housing Association to furnish their void properties. It has also initiated a pilot project with a local university to supply items necessary for student accommodation.

"I know that if we had an issue with New Start Highland [the local member of the Reuse Consortium] we could pick up the phone and fix it or solve it through the Reuse Consortium. The relationship is fantastic. We have worked closely on a variety of projects over the years. They are a local social enterprise, and that's one of the reasons why we source goods through this framework. The Highland Council is very supportive of their work."

- Gavin Munro, Representative of the Highland Council

"I think the driver for, hopefully, more and more local authorities is the fact that it's good for the environment and their zero waste targets. The challenge is that sometimes local authorities just like to have a one-stop shop where they can go and buy everything, and that's where it can be a bit restrictive."

- Rhonda Reid, Reuse Consortium Coordinator



Tender overview

Product group	Furniture Electrical appliances
Purpose	Procuring second-hand furniture and electrical appliances for Scottish public bodies that provide temporary housing
Procurement approach	Framework agreement
Reserved contract	No
Contract awarded to	The Reuse Consortium that is led by Circular Communities Scotland (with legal responsibility for the contract) and brings together 10 social enterprises
Total value	£99,000 (and a further £40,000)
Contract period	2021 - 2024 (second contract)
Award criteria	<p>Commercial section (50 points)</p> <ul style="list-style-type: none"> The tenderer with the lowest total cost per category⁴¹ is awarded 50 points, while the score of the second lowest total cost will be calculated on the basis of 50 points minus the percentage difference between their total cost and the lowest total cost <p>Technical section (50 points)</p> <ul style="list-style-type: none"> Service delivery and contract management (15 points): The capacity of the tenderer to meet the service delivery and contract management requirements, including operational processes, supply chain management or distribution planning Quality control and stock management (15 points): The systems, processes, and resources that the tenderer will deploy to ensure all products provided meet standards Supply chain risk (5 points): The capacity of the tenderer to manage supply chain risks and ensure ongoing provision of goods Community benefits and fair work practices (15 points): The benefits that tenderers can offer through their involvement in the contract, including employment opportunities for the unemployed, opportunities for young people, or community engagement initiatives
Minimum requirements	<ul style="list-style-type: none"> The products provided must comply with all applicable laws, guidance, and standards, including product safety, consumer protection, PAT testing for electrical appliances, labelling and certification⁴² Take all reasonable steps to prevent pollution of any property or premises where the activities are being carried out, and to prevent nuisance to the users of the premises

Using reuse items allows us to play our part in the Council's wider commitment to reducing our carbon footprint.

- Kimberly Farnley, Lead officer Social Welfare Fund Fife Council

Outcomes and impact

The Reuse Consortium can divert approximately 50 tonnes of furniture from landfill per £100,000 of annual expenditure by public authorities.

From its inception in November 2016 until the end of 2023, the Reuse Consortium facilitated the reuse of 29,000 furniture pieces. This is equivalent to 1,300 tonnes of waste diverted from landfill. Furniture reuse saved 3,410 tonnes of CO₂ emissions.⁴³

In 2023 alone, the consortium diverted over 285 tonnes of waste from landfill and prevented 755 tonnes of CO₂ emissions.⁴⁴

TABLE 7: Overview of the positive outcomes and impact

Environmental	Social	Other
Reuse of 29,000 furniture pieces 1,300 tonnes of waste diverted from landfill 3,410 tonnes of CO ₂ emissions saved	Assistance to 13,400 low-income households At least 3 jobs created per £100,000 of annual expenditure Purchasing one sofa equates funding 4 hours of socially inclusive employment or training	Opportunity for public bodies to provide quality goods at a lower cost £1.2 million of public budget savings since inception

Reuse Consortium has delivered second-hand furniture to assistance to 13,400 low-income households.

It is estimated that it creates at least 3 jobs per £100,000 of annual expenditure, mostly for unemployed and/or young people. By purchasing just one sofa from the Reuse Consortium, public bodies are funding 4 hours of social employment or inclusive training.

Overall the Reuse Consortium supports the existence of 21 local green jobs.

Training opportunities arising from this public tender have included the repair of electrical appliances, appliance testing and warehousing.

More generally, this tender enables social enterprises participating in the consortium to pursue their mission of supporting local communities. These enterprises provide additional support to the new tenants beyond the tender obligations. For instance, the Reuse Consortium member New Start Highland offers a food parcel with every furniture delivery through an order by the Highland Council. Some items not available in the catalogue are also provided for free.

The Reuse Consortium also offers the opportunity for public bodies to provide quality goods at a lower cost. Namely, the cost of reused items is generally lower than if the same items were purchased new. Since its inception, the consortium has facilitated £1.2 million of budget savings.



Photos: Reuse Consortium & Circular Communities Scotland

Challenges and success factors



CHALLENGES

Delayed payments from public authorities	<ul style="list-style-type: none"> Delay of payment or non-payment by some public bodies has placed financial stress on small social enterprises
Negative attitudes to reuse	<ul style="list-style-type: none"> A minority of end users have expressed a preference for new items over reused ones, reflecting a stigma associated with second-hand products
Limited product ranges	<ul style="list-style-type: none"> Some public bodies have a preference for one-stop shops where they can fulfil diverse procurement needs, which poses a problem when local social enterprises can offer only a limited range of products



SUCCESS FACTORS

Pilot project	<ul style="list-style-type: none"> Possibility to experiment without long-term commitments thanks to Zero Waste Scotland's funding in the pre-tender phase. Continuous feedback informed the subsequent tendering process Public authorities can start the procurement on a pilot basis to test if purchasing from the Reuse Consortium works for them
Dedicated consortium coordinator	<ul style="list-style-type: none"> Facilitating effective communication and collaboration among consortium members Ensuring regular reviews that bring together buyers and sellers to address any challenges in day-to-day operations Engaging with Local Authorities and encouraging them to purchase second-hand goods
Efficient management and reporting system	<ul style="list-style-type: none"> Streamlining and managing the ordering process Providing valuable data analytics including comprehensive impact reports on environmental, social and economic benefits of purchasing second-hand goods from the consortium
Quality assurance	<ul style="list-style-type: none"> The integration of Zero Waste Scotland's quality assurance standard, the Revolve mark, in the conditions for taking part in the consortium, signifies a commitment to excellence The Revolve mark assures buyers and final users of high standards in safety, cleanliness and service Items provided by the Reuse Consortium have a three-month guarantee. Some authorities have negotiated an extension to six months

CASE 5 TEXTILE COLLECTION AND MANAGEMENT IN LINE WITH THE WASTE HIERARCHY

TEXTILES



SPAIN

Prior to 2018, Madrid had never employed reserved contracts for textile collection, but the new tender issued that year was divided into three lots, with Lot 3 specifically reserved for social enterprises. The subject of the tender was the supply, installation and maintenance of 1,150 containers (of these 365 under Lot 3) for the collection and adequate management of used textiles.⁴⁵

Rather than receiving payment the awarded contractors were required to pay a fee to the public authority for each collection point depending on the quantity of collected goods, among other factors. During the implementation contractors had to provide a monthly report detailing collection activities, including location, date, time and quantity of material collected per district, and outcomes such as reuse, recycling or landfill disposal of goods. Each collection was weighed using the bidder's certified scales, with Madrid City Council retaining rights to perform random checks and verify weights.

Each tender or lot stipulated a minimum budget per collection point. Bidders had to meet this minimum but were allowed to place higher bids. This practice is known as "upward budgeting".

When the public tender was published in 2018 Recumadrid⁴⁶ contacted other social enterprises active in the circular economy through the Spanish network AERESS. Recumadrid is a social enterprise created in 2009 to employ individuals who face barriers in the mainstream labour market through reuse and recycling activities. They consequently formed a partnership with Solidança, another social enterprise from Catalonia. These social enterprises jointly created a Temporary Business Association called Ecoinserta.

Three organisations competed for Lot 3 of this public tender for the collection and management of used textiles from the districts of Arganzuela, Carabanchel, Usera, Puente de Vallecas, Villaverda, and Villa de Vallecas. The contract was eventually awarded to Ecoinserta for presenting the most economically advantageous proposal with the unit price of €140 per container per year.

The COVID-19 outbreak greatly disrupted the execution of this public tender due to lockdown measures in Spain. Ecoinserta had to seal all the containers, temporarily suspend all textile collection and treatment operations, and transition all employees to temporary unemployment for about eight months. When collection services were allowed to restart, a surge in textile volume led to new operational difficulties. However, the situation eventually stabilised, allowing Recumadrid to return to its regular operations and reinstate all its employees to full-time work.⁴⁷



Tender overview

Product group	Textiles
Purpose	The supply, installation and maintenance of containers for the collection of all elements of textile, plastic or leather origin used as clothing or household linen as well as accessories and footwear, and the management of collected items in line with the waste hierarchy (ie prioritising reuse)
Procurement approach	Open procedure
Reserved contract	Yes (one lot)
Contract awarded to	Temporary Business Association Ecoinserta comprising of Recumadrid and Solidança
Total value	27,375€ per year (75€ euros paid by Ecoinserta per year and collection point)
Contract period	December 2018 - November 2022
Award criteria	<p>Price (60%)</p> <ul style="list-style-type: none"> Based on the proposed unit price to be paid per collection point per year, starting from the minimum price (€75 per collection point for Lot 3) The bidder proposing the highest price received the maximum score. Other bidders' scores were distributed according to a mathematical formula <p>Collection vehicle (20%)</p> <ul style="list-style-type: none"> ECO or 'zero emissions' qualification by the General Directorate of Traffic Operational within one month from the start of the contract <p>Implementation of information or publicity campaigns (20%)</p> <ul style="list-style-type: none"> Campaigns at least 3 times during the course of the contract Information on the collection points, the waste admitted in the containers and how the waste is to be deposited
Minimum requirements	<p>Provide the certificate of the Administrative Register of Social Enterprises to prove social enterprise status</p> <p>Demonstrate financial solvency by having a minimum annual turnover of 300,000€ in at least one of the three financial years prior to the contract – two or more organisations could establish a Temporary Business Association even if they individually failed to meet this requirement</p> <p>Demonstrate technical solvency by presenting a list of the main services or projects completed within the last five years including the collection of municipal textiles by means of containers of up to 3m² capacity</p> <p>Possess an adequate sorting infrastructure⁴⁸ and prioritise reuse in accordance with the waste hierarchy and consequently the Spanish Law 22/2011 on Waste and Polluted Soils</p> <p>Provide current ISO 14001 certification of the implementation of the environmental management system issued by an accredited certifying body</p>

Outcomes and impact

The implementation of the reserved contract under Lot 3 resulted in the collection of 1,200 to 1,650 tonnes of clothes per year. According to Solidança the collection, recycling and reuse of clothes through this specific public tender annually saved approximately 10,000 to 13,500 tonnes of CO₂.⁴⁹ Taking into account that Spain's annual CO₂ emissions amount to 4,99 tonnes per capita, the annual saving is equivalent to the carbon footprint of 2,000 to 2,700 Spanish citizens.

In total, 5,500 tonnes of textiles were collected and processed. Of these, on average, 48% were found to be reusable, 29% recyclable, 18% waste, and 5% non-textile. This leads to environmental benefits in terms of waste prevention and reduction in the production of new clothes.

TABLE 8: Overview of the positive outcomes and impact

Environmental	Social	Other
1,200-1,650 tonnes/year collected 10,000-13,500 tonnes/year CO ₂ saved	8 jobs created On-the-job training / upskilling for individuals who face barriers in the labour market	Economic return of working with disadvantaged people (but difficult to measure)

The implementation of this tender resulted in the creation of 8 jobs, albeit disrupted during the pandemic.

As a social enterprise, Ecoinserta also provided on-the-job training to individuals who faced barriers in the mainstream labour market. This training included general guidance on textile collection and preparation for reuse, working in the sorting plant and careful handling of collected clothes.

It is complicated for us to measure the economic return we provide from having disadvantaged people working with us. There is often so much work that we do at a social, health, education and other levels, that I think we fall a little short in terms of demonstrating the impact we have. This is a pending issue for us.

- Cristina Salvador, Recumadrid

We cannot compete with large companies. That's why reserved contracts are so important. And I think that partnerships with other social enterprises will be necessary in the long term if we really want to be important in the sector and position ourselves on the market. The tenders are getting bigger and bigger, and the economic capacities and the solvencies that are required are huge.

- Cristina Salvador, Recumadrid

The two entities together could implement a new activity of waste management and preparation for reuse that did not previously exist in the city. Recumadrid had a lot of local recognition but Solidança provided experience and resources. The combination of our strengths allowed us to prepare a winning bid. We have now become a reference in the social and circular economy.

- Nati Yesares, Solidança

Challenges and success factors



CHALLENGES

Lack of familiarity with social economy models	<ul style="list-style-type: none"> Madrid's first reserved contract for social enterprises Uncertainty and concerns around whether a social enterprise could fulfil the contract
Administrative burden	<ul style="list-style-type: none"> Related to the lack of local authorities' lack of knowledge and experience Heavy reporting requirements during the first phase of the tender implementation to prove performance
Competitiveness	<ul style="list-style-type: none"> Charging for textile collection service instead of paying for it makes it nearly impossible for social enterprises to compete with large waste management companies unless reserved contracts are in place
Quantifying impact	<ul style="list-style-type: none"> Lack of capacity to assess the economic impact of employing individuals from disadvantaged backgrounds that can increase tax revenues as well as decrease public budget expenditure for social welfare, health and other programmes
Discontinuation of the textile-specific contracts	<ul style="list-style-type: none"> Madrid Council's decision to not use the contractual provision for a 2-year extension and to instead integrate textile collection into the broader waste management tender without a specific tender for textile collection Due to infrastructure requirements, the new tender was only accessible to larger waste management companies



SUCCESS FACTORS

Mutually beneficial and trust-based partnership	<ul style="list-style-type: none"> Recumadrid could meet the minimum turnover requirement and benefit from the extensive experience of the larger organisation Solidança benefitted by diversifying its activities and accessing a new region Trust from the start as both social enterprises are members of the national network AERESS Collaboration between the two organisations has continued despite the end of the contract for textile collection in Madrid
Prior engagement with the local council	<ul style="list-style-type: none"> Recumadrid's earlier involvement in the Mares project facilitated initial engagements with the local council and was the foundation for the city to reserve a lot of the public tender for social enterprises
Reserved contract	<ul style="list-style-type: none"> Strong competition from large waste management companies would have posed a significant challenge without a reserved contract despite Ecoinserta's focus on reuse and positive social and environmental impacts

CASE 6 PROCURING FLAGS FOR THE CAPITAL CITY

TEXTILES



In response to the need for inclusive employment opportunities, particularly for individuals with disabilities, the City of Zagreb introduced a framework agreement in 2017 for social enterprises for the purchase of fabric flags.

The use of a reserved contract was facilitated by the [Croatian Law on Public Procurement](#)⁵⁰ according to which at least 2% of public procurement contracts need to be reserved contracts. Eligibility for reserved contracts is based on at least 51% of the workforce consisting of individuals with disabilities or those who face barriers in the mainstream labour market for other reasons.

[Social cooperative Humana Nova](#) employs such a workforce through the production and sale of quality, innovative textile products made from ecological and recycled fabrics. This contributes to poverty reduction and the circular economy and has won Humana Nova a number of awards including the Innovation Award from the European Association of Service Providers for Persons with Disabilities in 2022.

The subject of the public tender was the production and delivery of flags for the Croatian capital in line with technical specifications, namely the flags of the City of Zagreb, Croatia and the EU. This tender resulted in a four-year framework agreement during which public bodies could place orders for the flags on an ongoing basis.

The public authority received three bids and signed framework agreements with two successful bidders: URIHO, a sheltered workshop owned by the City of Zagreb; and the social cooperative, Humana Nova.⁵¹

I believe in the power of social enterprises to create meaningful change, but navigating complex procurement processes can sometimes feel like an uphill battle. Despite the challenges, we remain committed to our mission and advocate for transparency and fairness in all dealings. This tender has been a transformative opportunity for Humana Nova, allowing us to make a lasting and positive impact on the people and the community.

- Ivan Božić, Humana Nova



HumanaNOVA

Tender overview

Product group	Textiles (flags)
Purpose	The production and delivery of flags for the City of Zagreb including city flags, Croatian flags and EU flags
Procurement approach	Framework agreement
Reserved contract	Yes
Contract awarded to	URIHO , a sheltered workshop owned by the City of Zagreb Humana Nova , a social enterprise that makes new quality and innovative products from discarded textiles, and employs people with disabilities and other socially excluded people
Total value	580,000€ (Humana Nova) 700,000€ (URIHO)
Contract period	2018 - 2021
Award criteria	Price (100%) <ul style="list-style-type: none"> The maximum score of 100 points awarded to the bid that met the requirements and offered the lowest price Had two or more valid bids been equally ranked, the earlier bid would have been selected
Minimum requirements	<ul style="list-style-type: none"> Proven status as a social enterprise or sheltered workshop Specifying the percentage of workforce comprising individuals with disabilities or otherwise facing barriers in the mainstream labour market Prior supply of similar goods within the previous three years The total value of up to three previous contracts amounting to at least one quarter of the estimated procurement value of this tender A guarantee for the seriousness of the offer, and in case of a successful bid, a 10% guarantee of the framework agreement's value. This guarantee enabled the buyer to invoke payment had contractual obligations not been met in their entirety, or on time

“

Participating in this tender wasn't without its hurdles. The complexity and duration presented significant challenges, testing our organisational resilience. Yet, we see each obstacle as an opportunity to grow, learn, improve and continually enhance our capabilities.

- Ivan Božić, Humana Nova

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Outcomes and impact

There is no data available about the environmental impact of this public tender.

Humana Nova reported the creation of five new jobs as a result of the economic activity stimulated by the framework agreement with the City of Zagreb.

These were jobs for disadvantaged individuals distanced from the labour market, including people with mental and physical disabilities, long-term unemployed and members of the Roma community.

In line with its general approach, Humana Nova offered personalised training and employment opportunities aimed at enhancing self-confidence and advancing the skills of these integration workers, thus improving their employment prospects.

TABLE 9: Overview of the positive outcomes and impact

Environmental	Social	Other
no data	5 new jobs for individuals distanced from the labour market, including people with mental and physical disabilities, long-term unemployed and members of the Roma community.	Positive precedent: demonstrated social enterprises' abilities and was Croatia's first reserved contract for social enterprises above 500,000 EUR

This was a notable positive precedent in Croatia because it demonstrated that social enterprises are able to submit offers and implement contracts professionally and in accordance with the requirements. It was also Croatia's first reserved contract for social enterprises above €500,000.

The promotion of such practices could indirectly strengthen the sector by encouraging social enterprises to engage in public tenders and improve their bidding know-how.

Whereas Humana Nova has not secured further tenders, this framework agreement significantly enhanced its visibility and reputation.



Photos: Humana Nova

Challenges and success factors



CHALLENGES

Complexity and duration of procurement process

- Almost nine months from the initial application to the first order
- This strains social enterprises' limited resources and can be a deterrent for those that lack the experience or capacity to engage in complex procedures



SUCCESS FACTORS

Enabling legal framework

- Article 51 of the [Croatian Law on Public Procurement](#) provides an enabling framework for the use of reserved contracts

Providing employment for individuals facing barriers in the mainstream labour market

- Humana Nova employed 60% of disadvantaged individuals distanced from the labour market at the time of bidding, which exceeded the 51% requirement in the reserved contract

Recurrent use of reserved contracts

- The City of Zagreb has a history of reserving contracts for sheltered workshops and social enterprises providing social employment thereby leveraging public procurement to foster social inclusion and strengthen the social economy



Photos: Humana Nova

CASE 7 GIVING HAZARDOUS WASTE A SECOND CHANCE

PAINT



Unwanted paint disposal is a significant environmental problem in Ireland. Research⁵² shows that approximately 4,000 tonnes of discarded paint are sent to other European countries for incineration as hazardous waste. Enter: Rediscovery Centre.

Since 2004, Dublin-based Rediscovery Centre has been at the forefront of Ireland's transition to a low-carbon circular economy through education, research, advocacy and social and circular entrepreneurship.

The four social enterprises operating within the Rediscovery Centre include the pioneering Rediscover Paint that prepares unwanted paint for reuse: by screening it for quality, remixing and repotting it to then either resell it to the public at an affordable price or distribute it to local community groups. To stimulate the spread of paint reuse, Rediscover Paint has created the Paint Reuse Network with the support of Ireland's Regional Waste Management Planning Offices. The network includes nice paint reuse social enterprises at the time of publication whereas membership is open to all types of organisations.

Fingal County Council, the local authority for North County Dublin, has been facilitating Rediscover Paint's access to unwanted paint at recycling centres in the Fingal area.

After years of collaboration, the local authority put out a public tender for an organisation to provide reused paint to community organisations. This public tender is aligned with broader national policies and objectives. These include climate policies⁵³ and the promotion of the circular economy. For example, in March 2024 Ireland



Comhairle Contae
Fine Gall
Fingal County
Council



adopted the National Waste Management Plan for a Circular Economy that introduced a national target of 20 kg per capita per annum to be achieved by 2030.⁵⁴ The plan also refers to the consistent application of Green Public Procurement criteria in local authority contracts. Furthermore, whereas they generally do not drive procurement, every local authority is required to have an Environmental Awareness Officer who is responsible for public engagement and supporting new initiatives in green procurement.

As the only supplier in the area at the time, only Rediscover Paint submitted a bid and was awarded. Due to the high demand, Rediscover Paint had reached the 3,000€ quota earlier than foreseen and Fingal County Council decided to issue another tender for a value of 1,000€. A third tender for 6,000€ was issued in 2023 and was again awarded to Rediscover Paint. The procurement of paint was based on price rather than volume to mitigate the risk of the contractor being burdened with potential increased costs due to market price fluctuations.

The Rediscovery Centre and Fingal County Council were finalists in The National Procurement Awards 2023 under the 'Best Green Procurement Project of the Year' category that recognises public tenders that reduce impacts on the environment.

Tender overview

Product group	Paint
Purpose	Purchase of paint by Fingal County Council with the primary goal of obtaining low-carbon reused paint for diverse applications in local community projects
Procurement approach	Open procedure
Reserved contract	No
Contract awarded to	Rediscover Paint, a social enterprise operating within the Rediscovery Centre in Dublin
Total value	January – October 2022 tender: 3000€ October – December 2022 tender: 1000€ January – December 2023 tender: 6000€
Contract period	2022 - 2023
Award criteria⁵⁵	Price (60%) Technical capacity and expertise (30%) Social and environmental impact (10%)
Minimum requirements	<ul style="list-style-type: none"> • Possess the capacity to process both interior and exterior paint of various colours and deliver⁵⁶ it to residents' associations, community centres, schools and other organisations within the Fingal Local Authority area • Manage inquiries and correspondence from community groups regarding paint volumes and delivery • Ensure compliance with Health and Safety legislation for staff handling the product • Design and supply communication materials to promote and enhance the visibility of innovative reuse operations • Collect unused/leftover paint and treat the product to create high quality paint for reuse

We are able to collect lots of paint but we face a market challenge in terms of overcoming the consumer barrier for reused or recycled paint. This public tender thus provides a market for the paint. If we can get public institutions to use reused paint as part of green procurement principles, it would help us because we would have large quantities to sell with relative certainty.

- Jack McCarthy, Rediscovery Centre



Photo: Paint Reuse Network⁵⁸

Outcomes and impact

As mentioned earlier, Ireland exports up to 4,000 tonnes of paint and paint-related waste for incineration every year. By reusing surplus paint, the contract reduces environmental impacts associated with the manufacture of new paint and waste management. It also reduces incineration of paint and emissions related to transport.

The current exports of paint-related waste from Ireland to other European countries cost the country approximately 600,000€ annually. Reuse and preparation for reuse activities extend the lifespan of paint, thus reducing the reliance on exports and costly disposal methods.

In 2023, 2,536 litres of reused paint were procured through this tender. Based on Rediscover Paint's estimation of embodied carbon for paint⁵⁷ this reuse contributed to saving over 6 tonnes of embedded CO₂. The preceding tender in 2022 enabled the reuse of 1,646 litres of paint, resulting in the reduction of nearly 4 tonnes of CO₂ emissions.

TABLE 10: Overview of the positive outcomes and impact

Environmental	Social	Other
Prevent the incineration of 2,536 litres of paint	Support of activities of 22 community groups, including the revamp of public walls in a housing estate	Reducing reliance on exports of paint-related waste and costly disposal methods
Saved over 6 tonnes of embedded CO ₂	Contribution to job creation (i.e. 0.2 full-time equivalent employment) and social inclusion	Demonstrating that public tenders can create a consistent and sizeable demand for reuse paint and a stable income source
Reduced manufacture of new paint		Overcoming negative perceptions by enhancing visibility and reputation of reused paint

We are trying to use this tender as a flagship project for paint. It can act as a case study that we can publicise, especially to other local authorities. This provides an element of credibility so that Fingal County Council can tell other local authorities what happened and what we are using the paint for. We have also been shortlisted for a National Procurement award in the sustainability category so that helps.

- Jack McCarthy, Rediscovery Centre

Through the public tender in 2022, Rediscover Paint provided paint to, and thereby supported the activities of, 22 community groups in the Fingal Local Authority area. For instance, a residents' association received over 70 litres of exterior paint to revamp public walls in their housing estate. This supported the ongoing work of the voluntary group.

Furthermore, this public tender facilitates job creation and training opportunities for disadvantaged individuals distanced from the labour market. The public tender with Fingal Local Authority represents approximately 10% of the total paint prepared for reuse by Rediscover Paint. Given that the social enterprise currently employs a full-time workshop manager and two half-time trainees or people in welfare schemes, it can be deduced that the Fingal Local Authority's contract generated 0.2 full-time equivalent employment.

Because the concept of paint reuse is relatively new and many consumers find paint reuse less appealing – due to limited colour choices, the need for additional coatings for external use, and a perceived complexity in comparison with using new paint – Rediscover Paint regards this contract as crucial. Such public tenders play a vital role in creating a consistent and sizable demand for reused paint and thereby a stable source of income. This helps the sector grow as well as overcome negative perceptions by enhancing the visibility and reputation of reused paint, both among final users and public authorities.

Challenges and success factors



CHALLENGES

Risk-Averse Public Authorities

- Fingal County Council constitutes an exception due to years of trust-building through collaboration
- Green public procurement is still an emerging area for many public authorities and the opportunities for procurement at smaller scale are not yet widely adopted

Lack of Visibility of Small Social Enterprises

- Smaller social enterprises that might want to start the same activities could find it difficult to replicate Rediscovery Centre's visibility and credibility built over a longer period and through a range of activities



SUCCESS FACTORS

Cost-Effective Procurement

- The reuse of paint offers local authorities an opportunity to save while supporting circularity and social enterprises
- Rediscover Paint sells paint at about 2.50€ per litre – approximately 30% cheaper than most new paints

Successful Past Engagement

- Fingal County Council's prior experience in procuring reused paint from Rediscover Paint helped demonstrate the feasibility of this approach and played a crucial role in the emergence of the public tenders.

Existence of Environmental Awareness Officer

- Often the first point of contact for social enterprises seeking to engage with the local authority

Policy Alignment

- This public tender aligns with three crucial national policies, including the Climate Action Plan, Circular 20/2019 and the National Waste Management Plan for a Circular Economy (see introduction to the case study for details)



★ BEFORE

★ AFTER

Photos: Paint Reuse Network⁵⁹

CASE 8 REDUCING AND MANAGING DEMOLITION WASTE

CONSTRUCTION AND DEMOLITION



The public tenders presented in this case study addressed the problem of construction and demolition waste by applying circular economy principles.

The demolition of Tuukkala Hospital and Pankalampi Health Centre were tendered as separate contracts by Mikkeli, a municipality in the province of Eastern Finland with a population of 52,000 and the owner of the two sites. Contractors could also present their offer as a package for both demolitions. In addition, Mikseid Ltd, the local development company, issued a tender for the development of a digital marketplace platform to sell second-hand building components.

The municipality of Mikkeli participated in the EU-funded CityLoops project that aims to develop circular economy solutions for urban areas and included the public tenders presented here as demonstration cases for circular procurement in the CityLoops. This entailed water sampling at the construction site, occupational and hygiene measurements during the manual dismantling phase, environmental measurements, drone monitoring, and other demolition work documentation during the execution of the tenders.

Overall, Mikkeli recycles 85% of the 33,000 tonnes of construction and demolition waste it generates every year but the recycled material is mostly used for road and back-fillings. This presents a missed opportunity for reuse and high-quality recycling activities, particularly as activities higher in the waste hierarchy are more labour-intensive and better protect the environment by reducing CO2 emissions and the need for new materials.

The municipality organised a market dialogue in August 2020. Participants included representatives of two

MIKKELI

MIKSEI MIKKELI

Uutta elämää
Mikkelin Toimintakeskus ry

demolition companies and a consultant company. They met to discuss the possibilities to reduce waste and improve circularity.

Ultimately, the municipality concluded an agreement with the Mikkeli Activity Centre and it to remove reusable furniture and easily dismantled construction elements before the demolition. The Activity Centre did not get any funding from the tender as such but was allowed to sell the items at their second-hand shop.

The Mikkeli Activity Centre dismantled the building components. A group of students from XAMK, the South-Eastern Finland University of Applied Sciences, conducted an inventory of reusable components.

The Mikkeli Activity Centre (Mikkelin Toimintakeskusry) is a nonprofit organisation that aims to provide employment and training opportunities. This organisation runs the New Life Group (Uutta Elämää Groupin) through which it operates various circular economy activities and employs over 100 people.

Tender overview

Product group	Construction and demolition waste
Purpose	The demolition contracts included the demolition of the buildings' foundations and structures, equipment, and surface structures in the yard area As there were no plans for the future use of the Tuukkala Hospital site, all construction components and materials had to be removed from the site
Procurement approach	Open procedure
Reserved contract	No
Contract awarded to	<ul style="list-style-type: none"> Tuukkala Hospital: Ahosen Palvelut Ltd, a demolition company that carries out comprehensive and renovation demolition contracts and recycling crushing in Finland Pankalampi Health Centre: Terra Infra Ltd, a company that works as a general contractor for community construction and land demolition for house construction Digital marketplace: Metatavu Oy, an open source-based software development and services company
Total value	<ul style="list-style-type: none"> Tuukkala Hospital: 278,000€ Pankalampi Health Centre: 378,000€ Digital marketplace: 40,400€
Contract period	2019 to 2021
Award criteria	<p>Tuukkala Hospital and Pankalampi Health Centre</p> <ul style="list-style-type: none"> Price (100%) <p>Digital marketplace</p> <ul style="list-style-type: none"> Sustainability reference (10%) References of past circular economy activities (35%) Price (55%)
Minimum requirements	<p>Tuukkala Hospital and Pankalampi Health Centre</p> <ul style="list-style-type: none"> References of the execution of similar demolition projects and proof of the fulfilment of the contractor's obligations A waste management plan⁶⁰ Application for a demolition permit and selective demolition⁶¹ of the buildings' foundation as well as structures, equipment and surface structures in the yard area A summary of the waste generated and how it was treated: 11 different types of waste had to be collected, separated at the source, and recovered to the highest possible amount and quality, in line with the Finnish Waste Law and the waste hierarchy Water sampling at the construction site, occupational and hygiene measurements during the manual dismantling phase, environmental measurements, drone monitoring and other demolition work documentation during the execution of the tender Conduction of a pre-demolition audit⁶² and soft-stripping of the Dental Clinic within the Pankalampi Health Centre site <p>Digital marketplace</p> <ul style="list-style-type: none"> Social responsibility reports and evidence of past circular solutions

Outcomes and impact

The two demolition sites, Tuukkala Hospital and Pankalampi Health Care Centre, generated 24,000 tonnes of waste, of which almost 20,000 tonnes were concrete waste.⁶³ The average waste amount per floor area was 1.5 and 1.6 tonnes per m². The recycling rate was 73.6%, with an additional 19.8% of energy recovery.

The initial objective to replace virgin materials with crushed concrete was not achieved as large amounts of virgin materials were available locally at the time due to the recent excavation of a large cave for a new wastewater treatment plant.

The CO₂ calculator developed by the Roskilde Municipality⁶⁴ in the framework of the CityLoops project was tested to measure the environmental impact of construction and demolition waste from the two sites.

Concrete was the largest waste fraction in the demolition sites, and the CO₂ calculator showed that the reuse of concrete building components has the greatest emissions saving potential. In contrast, the recycling of concrete as aggregate in the production of new concrete does not necessarily save emissions because the production of cement is also the main driver behind the large carbon footprint of concrete. Moreover, transport distance for virgin aggregate is typically shorter in Finland.

Thus, while recycling concrete on-site can lead to savings in transport emissions and virgin aggregates, this practice has a minor impact on CO₂ emissions compared to the reuse of concrete building components. Additionally the feasibility of recycling concrete depends on existing competition from virgin materials.

TABLE 11: Overview of outcomes and impact

<i>Environmental</i>	<i>Social</i>	<i>Other</i>
73.6% recycling rate and 19.8% of energy recovery for the 24,000 tonnes of waste generated	Creation of 30 circular jobs	Revenues generated through the sale of reusable components

The project achieved its goal of ensuring that demolition activities in Mikkeli stimulate the creation of new circular jobs, having created over 30 such jobs in the city.

The small-scale demonstration initiative that centred on soft-stripping and reuse at the dental clinic led to a revenue of €3,700 through the sale of reusable components by the Mikkeli Activity Center. This means an average revenue of €2.65/m² for the initiative at the dental clinic.

Using this case as a benchmark and considering Mikkeli's average annual demolition of 10,000m² of municipal buildings, it can be estimated that widespread reuse operations could generate close to €30,000 of revenue.

However, the reuse rate was constrained by factors such as lack of time, storage space, human resources and established sales channels. Therefore this projection is conservative and mitigating measures could be taken to generate more revenue from such reuse.

As a result of the CityLoops project, a new procurement guide has been drawn up to promote the circular economy in demolition projects. The guide proposes new qualitative requirements, benchmarks, or contractual incentives. Even reversed tendering could be used in demolition contracts: there the price is fixed, and awarding would be based on the quality of circular solutions proposed by the tenderers.

- Circular CDW in Mikkeli: Demonstration Report (2023)

Circular economy is a necessity and an important part of climate action and sustainable development. Adopting circular practices may cause extra costs in the development phase, but neglecting such changes constitutes a major risk of losing vitality and a positive image as a city and failing to promote the competitiveness of local businesses.

- Circular CDW in Mikkeli: Demonstration Report (2023)

Challenges and success factors



CHALLENGES

Lack of alignment between the normative framework and practice

- The Finnish Waste Decree 978/2021 25§ obliges building owners to allow for the dismantling and re-use of building components during demolition. In practice, however, many municipalities, including Mikkeli, manage municipal waste companies that do not actually prioritise re-use and high-quality recycling. Companies such as Metsäsairila Ltd. (in the case of Mikkeli) typically focus on waste-to-energy and low-quality recycling (e.g. backfilling). In other words, re-use policies are not properly implemented due to this in house role given to municipal waste companies that are not really prioritising re-use.
- Contractors were required to deliver all construction and demolition waste to the Municipal Waste Company, Metsäsairila Ltd. but this company does not focus much on re-use. That was a barrier to maximise re-use in the context of this tender and, as a general approach, is in conflict with the municipal goal of promoting circularity.

Lack of circular criteria

- Incorporating circular criteria into the demolition tenders was not seen as feasible due to a lack of time, experience and political will to modify standard procedures
- For instance, the procurement unit was not willing to procure a pre-demolition audit separately

Practical supply-side issues

- Costs associated with careful dismantling and renovation
- Shortage of storage space
- Time constraints in the execution of tenders
- Scarcity of human resources
- Lack of sales channels

Practical demand-side issues

- The usual demand for uniformity, quality assurance regulations and energy efficiency requirements stand in the way of the use of old building components
- Many buildings in Finland are demolished due to indoor air issues such as suspected mould contamination, and that exacerbates the fear of liability issues related to reuse

Material damage

- Vandalism and moisture can lead to damage to otherwise reusable items; this impedes soft stripping and selective demolition activities
- For example, the Tuukkala site had been abandoned and vandalised for years, and as a result, none of the furniture was reusable



Photos: Esa Hannus, Xamk



SUCCESS FACTORS

Clear processes and responsibilities

- Selective demolition is complex with many actors potentially involved
- Maximising reuse requires well-defined processes, timelines and responsibilities, ideally with formal agreements between participating organisations concluded in advance

Breaking down large demolition tenders into smaller contracts

- Separate, smaller tenders (eg for carrying out demolition audits and executing soft stripping) have multiple benefits
- They:
 - reduce time pressures and allow for temporary storage and sale of dismantled items on-site
 - can be easily executed by social enterprises employing individuals who face barriers in the mainstream labour market
 - present opportunities to make use of reserved contracts

Transferrable tools and guidelines

- The use of tools and guidelines developed by the CityLoops project, eg the pre-demolition audit guide and the selective demolition guide, drone imaging, 3D modelling, CO₂ calculator
- These tools and guidelines are seen as strongly beneficial
- They:
 - facilitated the implementation of circular activities and the measurement of their impact
 - included drone imaging and 3D modelling that were instrumental in measuring construction and demolition waste flows; and the life-cycle CO₂ calculator that enabled the measuring of - CO₂ emissions prevented through reuse and recycling
 - can be used in other cities to replicate similar circular activities

Digital marketplaces

- The development of digital marketplaces for dismantled building components and materials is a promising venue for maximising reuse and high-quality recycling

Pre-demolition audits

- The introduction of mandatory pre-demolition audits with an inventory of reusable components would increase the likelihood of reuse and high-quality recycling



Photos: Raimo Lilja

CASE 9

PROMOTING THE REUSE OF BUILDING COMPONENTS THROUGH LEGISLATION

CONSTRUCTION AND DEMOLITION



A U S T R I A

The final case study in this report differs from the others in that it is not about a specific public procurement tender but about a piece of legislation in an EU Member State. We selected this example because it stands out for its focus on sustainable practices in a sector with a particularly high CO2 footprint and could serve as inspiration for future policy interventions.

The Austrian Recycling Building Materials Ordinance, enacted in 2015, mandates the systematic sorting, processing and treatment of construction and demolition waste to promote sustainable practices within the building sector.

A unique feature of this law is the emphasis on the reuse of building components. The law introduced an obligation for property owners or contractors to carry out independent pre-demolition audits according to detailed requirements specified in the Austrian Standard ÖNORM B 3151 on “recovery-oriented dismantling”.

The objective of this audit is to maximise the reuse of building components for which there is a market demand. This is ensured by identifying and classifying all potentially reusable components, including structural elements (eg beams) and fixtures (eg windows). Afterwards, these components are assessed to determine their condition – ie whether they are fit for direct reuse – and their value in view of current market conditions. This ensures that the reuse of the identified building components is both technically and economically viable.

The law requires for the reusable components to be handled in a way that safeguards their value and

condition through proper handling and storage. This includes minimising contamination by removing hazardous waste such as asbestos and contaminants such as gypsum. These have to be stored separately and treated appropriately.

To further reduce the risk of contamination and preserve the potential reusability of components, any selective dismantling is first carried out manually and only after that can machines be used.

The dismantling is informed by a detailed documentation of the audit (including inventory lists, condition assessments and value estimates). The building owner must keep the documentation for at least seven years after the conclusion of the demolition and make it available upon request by the competent authority.

Outcomes and impact

Increasing the reuse of building components limits the generation of waste as many building components are complex products that cannot be easily recycled and are thus destined to landfills. Such products often have a high carbon footprint so that their reuse contributes significantly to avoiding greenhouse gas emissions and reducing the buildings’ embodied CO2. Finally, reduction and appropriate treatment of hazardous waste can prevent toxic substances and pollutants from leaking into the environment.

TABLE 12: Overview of the positive outcomes and impact

Environmental	Social
Reduction of construction and demolition waste	Job creation
Greenhouse gas avoidance through reuse	Acquisition of transferable skills
Improved management of hazardous substances	Integration of people at risk of, or experiencing, social exclusion

Selective dismantling is an intrinsically labour-intensive practice because it is carried out without the use of machines. That means that it presents a vast potential for social enterprises to create inclusive jobs centred on this activity, while the engagement of social enterprises by building owners can present the most economically viable option. Furthermore, such activities are particularly suited for the upskilling of individuals who face barriers in the mainstream labour market as they involve teaching transferable skills which can be conducive for future employability in the construction sector.

“The dismantling of building parts has to be done by hand, this is not sophisticated to learn, but it teaches something that you can use for other jobs.”

- Roland Starke, Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology

“The positive experiences in the reuse of building parts have only been there when you had a third company organising the reuse of building parts from a demolition site to another building. Without these organisations, the law was not working by itself.”

- Roland Starke, Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology

Challenges and success factors



CHALLENGES

Legal uncertainty	<ul style="list-style-type: none"> The lack of clear guidelines for the reuse of products has created complexity for economic operators, who often felt that the economic benefits of compliance are outweighed by administrative burdens Developing clear guidelines at national level is contingent upon the previous establishment of relevant European legislation, and the EU Construction Product Regulation (CPR) has only recently been approved
Loopholes	<ul style="list-style-type: none"> The obligation to reuse is only valid if reuse is technically and economically feasible; this creates leeway for economic operators to derogate from their legal obligations, ultimately undermining the objective of the legislation
Market failure	<ul style="list-style-type: none"> The inherent labour-intensity of selective dismantling entails higher labour costs that ultimately result in high prices for reused components Legislation alone has proven insufficient to ensure the reintroduction of used building components into the market at economically viable prices due to low demand
Lack of expertise	<ul style="list-style-type: none"> The experts carrying out the pre-demolition audits often have a background in chemistry and may lack specialised knowledge about current legal requirements and market conditions for reused building components If auditors are not up to date with latest developments in the field, they may inaccurately assess the potential for reuse



It's quite a new step to make an obligation that they [auditors] have to look for building parts that can be reused, not crushed or turned into aggregates. We had a few big projects in Vienna which were quite successful and saved a lot of material. We are not talking about two windows, we are talking about 200. The mass reduction is relatively low, but the ecological benefit is very high.

- Roland Starke, Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology



SUCCESS FACTORS

Involvement of third parties	<ul style="list-style-type: none"> Third parties such as construction experts and social enterprises have played an important role in overseeing the examination and qualification of reusable parts and actively sourcing buyers to ensure the actual recirculation of these parts into the market
Role of social enterprises	<ul style="list-style-type: none"> Providing cost-effective labour for dismantling buildings and therefore increasing the economic viability of reintroducing used products into the market by keeping labour costs low Opportunities for workforce reintegration and upskilling
Changing regulatory and economic incentives	<ul style="list-style-type: none"> The latest revision of the EU Construction Products Regulation is poised to introduce clear guidelines and obligations for the reuse of functional building parts, akin to recycling standards currently in place Legislative developments such as landfill bans and reuse targets will provide further regulatory incentives alongside changing market conditions driving upward trends in the prices of construction products.
Effective oversight and enforcement	<ul style="list-style-type: none"> The reporting requirements envisaged in the legislation are not a mere legal formality; the provision of relevant documentation is embedded in a system where it is requested by building owners and verified by competent authorities The forthcoming guidelines following the Construction Product Regulation are expected to further enhance compliance by minimising loopholes and enhancing overall compliance

CONCLUSIONS AND RECOMMENDATIONS



Social enterprises have decades of experience in reuse activities and are widely recognised as circular economy pioneers. Their mission of promoting social inclusion and local reuse makes them key actors in ensuring a just transition to a low-carbon circular economy. While extending products' life-cycle and thereby resource use, social enterprises also focus on providing job and training opportunities for people who face barriers in the mainstream labour market. These enable low-skilled workers to transition to other circular jobs, and this, in turn, brings a host of benefits to the individuals as well as their families and communities.

Social enterprises' involvement in public procurement can therefore bring multiple benefits beyond meeting the specific needs of the tender. Those highlighted through the case studies underpinning this report are summarised in Table 11 below. Yet there are persistent barriers to leverage public procurement for environmental, climate, and social benefits. Among other issues, every second public tender in the EU (55%) still refers to the lowest price as the only selection criterion.⁶⁵

This works to the detriment of small and medium-sized enterprises (SME) including those in the social economy. The European Court of Auditors reports that competition in public procurement has decreased over the past 10 years up to 2021, with a significant increase in single bidding and a high level of direct contract awards in most Member States. This comes at the expense of SME participation while environmental and social aspects have been largely neglected.⁶⁶ Even when social enterprises are able to compete, they may face unjust competition in the form of tender requirements framed with a linear economy and price-centric mindset and without proper recognition of their social and environmental added-value.

The final section of this report lays out the main takeaways from our case-study based research as well as our long-term engagement in public procurement as a public policy issue. Following a recap of the main positive outcomes and impact of public tenders that we reviewed, we provide a set of recommendations – both policy and practice – to mitigate the challenges that our research also unveiled.

Table 13: Positive outcomes and impact of socially responsible and green/circular public procurement in the case studies

<i>Environmental</i>	<i>Social</i>	<i>Economic</i>	<i>Behavioral</i>
Reduction of construction and demolition waste	Job creation	Opportunity for public bodies to provide quality goods at a lower cost	Showcasing the feasibility and potential of socially responsible and/or green public procurement
Greenhouse gas emissions prevented	Acquisition of transferable skills	Public budget savings	Visibility and reputational gains for social enterprises involved
Energy efficiency and use of renewable energies in construction	Increased self-confidence and motivation	Reduced reliance on exports of waste and costly disposal methods	Evidence of social enterprises' capacity to innovate and deliver positive outcomes in major public tenders
Preservation of natural soils	Integration of individuals who face barriers in the mainstream labour market	Revenues generated through the sale of reusable components	Overcoming negative perceptions about the quality and availability of reused products
Increased and more resilient local natural habitats	Assistance to low-income households		Showcasing the importance of including reserved contracts in public tenders
Reuse of furniture pieces	Material poverty alleviation		Demonstrating that public tenders can create consistent and sizeable demand for reusable products and a stable income source
Collection, reuse and recycling of clothes	Support for community group activities		
Improved management of hazardous substances	Social cohesion		
Waste diverted from landfill and reduced incineration			
Reduction in raw material extraction, manufacturing, transport and waste			

Main challenges

By adopting a socially responsible and circular approach to procurement, particularly including tenders involving social enterprises, public entities can use their purchasing power to promote innovation and drive demand for the social and circular economy. While there are many benefits to this approach, many challenges remain.

Fundamentally, there is a **lack of social and green clauses** in public tenders altogether, for various reasons. One that should be simple to remove yet is proving unexpectedly tenacious is the **lack of awareness** on the side of public authorities involved in public procurement processes that the EU 2014 Public Directive foresees voluntary dispositions to use reserved contracts or include green and social considerations in public tenders.

The European Commission has launched a series of initiatives to address this, but our research conducted as recently as 2023 shows that there is still a long way to go to build understanding and promote the use of established frameworks promoting green and socially responsible public procurement across the EU. Beyond public procurement itself, the persistent lack of knowledge about social economy models and activities by public procurers poses obstacles to social enterprises' access to procurement opportunities and its associated benefits.

There may be **negative perceptions** among procurers, employees, or specific individuals involved in public tender preparation regarding the quality of reused goods. This may reduce the propensity to promote reuse within the tender provisions. In other cases, **lack of familiarity with the capabilities of the reuse sector** as well as the scarcity of examples of public bodies procuring reused goods can limit or block the consideration of procuring goods second-hand. Several informants highlighted that public procurers or relevant stakeholders doubted social enterprises' ability to undertake certain tasks. This could decrease the likelihood of securing public contracts or, once awarded, result in additional monitoring and reporting obligations.

Where social and/or green clauses are implemented, they do not necessarily appear together in the award criteria. If there is a public tender with green criteria but without provisions on reserved contracts for social enterprises or substantive social criteria, then social enterprises tend to face stiff **competition from large corporations**, as they do in absence of award criteria beyond price. Due to their

economies of scale, large mainstream companies can almost always offer lower pricing.

Where **price is the only criterion**, social enterprises are typically excluded a priori as they face higher upfront costs than mainstream businesses and reinvest profits in their social and environmental missions. This leaves limited room for social enterprises to be able to compete on tenders on the basis of price offered.

Where they do consider pursuing a public tender, social enterprises – particularly those with limited resources or lacking experience with public procurement – often struggle with the **complexity, length and scale of procurement processes**. Minimum requirements, such as minimum turnover thresholds, are often out of reach. This may result in a vicious cycle of exclusion from procurement opportunities.

Where social and circular tenders are implemented, the **collection and management of impact data** demands specialised knowledge and additional efforts that may not always be feasible due to financial and time constraints. The emphasis on quantitative data also poses a challenge due to the inherent difficulty of quantifying the generated environmental and especially social impact.

Lastly, there is a **lack of widely accessible information on best practices** which means these are not well known and therefore do not get replicated.

Policy and practice recommendations

As the cases presented in this report exemplify, including social enterprises in public procurement can contribute to important policy objectives such as: reducing unemployment and poverty levels; creating green up- and re-skilling opportunities; and increasing reuse and preparation for reuse rates to maximise resource efficiency.

Including green and social clauses in public tenders and considering factors beyond mere price would appear like a straightforward choice for public authorities, that much more so since Article 70 of the Public Procurement Directive 2014/24 explicitly grants public procurers the possibility to include environmental, social or employment-related considerations for the performance of contracts. Yet, this is not the prevalent current practice at the national level.⁶⁷

To overcome the many barriers that stand in the way of socially responsible and green public procurement, our recommendations to public authorities include:

- **the creation of public bodies/officers acting as procurement facilitators; pilot projects,**
- **market dialogues and other pre-tender interactions;**
- **the promotion of circular construction and procurement through clear standards;**
- **flexible requirements and specifications through negotiated procedures;**
- **reserved contracts;**
- **best price-quality ratio criteria as the default option;**

- **limiting the scope of tenders and simplifying procedures as well as allowing bids by consortia**
- **to make the public tenders more accessible to SMEs including social enterprises;**
- **capacity-building measures;**
- **clear and enforceable targets for social and circular objectives;**
- **and meaningful monitoring, data collection and knowledge sharing.**

We provide the reasoning for these measures and further details below, all with the intention to inspire the European Commission, national governments and local authorities to better harness the potential of socially responsible and circular public procurement.

As the current Public Procurement Directive turns 10 years old, social enterprises active in the circular economy as well as others regularly find themselves locked out of public procurement opportunities, and a voluntary approach toward social and environmental considerations has shown unsatisfactory results in tuning public procurement to public policy goals. Our main policy recommendation, therefore, is for social and green criteria to be made mandatory and used jointly, particularly in key sectors that can promote an inclusive and just green transition.

Table 14: Recommended measures to enhance socially responsible and green/circular public procurement

What?	Why?	How?
Procurement facilitators	Information dissemination, awareness-raising, guidance, streamlining, bridging capacity gaps	Creation of, and support for, public entities responsible for outreach to non-profits and providing legal, administrative, matchmaking and other support to stimulate new initiatives in social and green procurement
Pilot projects, market dialogues and other pre-tender interactions	Detecting and addressing challenges, stimulating innovation, building confidence/trust, identifying best practice, aligning expectations, demonstrating the feasibility and benefits of awarding public contracts to social enterprises	Contracting authorities enhancing their understanding of social economy models and reuse operations and creating opportunities for SMEs including, and in particular, social enterprises. This can take place in various, and ideally complementary, ways. During the pre-procurement phase, engaging in market dialogue can help gain insights into available opportunities. The limited awareness of socially inclusive and circular alternatives is often the main barrier in promoting social and circular procurement. Smaller-scale, pilot collaboration efforts with social enterprises have been successful examples of creating a pool of good practice in circular public procurement and fine-tuning procedures, thus stimulating innovation. ⁶⁸
Promotion of circular construction and procurement including through clear standards	Maximising resource efficiency, legal certainty for contracting authorities	Contracting authorities should not limit public purchases to new goods but follow the EU Waste Hierarchy and examples by public institutions like the EU Commission. ⁶⁹ Reuse, together with refurbished and repaired items, should be listed among the eligibility criteria to overcome potential concerns around safety and durability; for instance, when public authorities are buying furniture and/or computers. In construction, non-automated reuse operations not only promote higher circularity but are also particularly suitable for social employment whereas traditional construction operators lack in this area. ⁷⁰ Beyond public procurement, local authorities should ensure that abandoned establishments do not go to waste and that any reusable goods and material remain in the loop before deterioration or demolition.
Adapted / flexible requirements and specifications including through negotiated procedures	Focusing on functionality to facilitate the supply of reuse goods whose uniformity cannot be guaranteed	The involvement of social economy actors during the pre-procurement phase of the tendering process can provide valuable market insights, which can be used to establish more suitable conditions. The use of negotiated procedures can also accommodate the unique characteristics of the reuse sector, thereby promoting socially responsible and circular procurement. Through a negotiated procedure, by which the procuring entity negotiates the contract with a supplier, the tender can pivot from the standard uniformity and rigid product requirements to focus instead on products' diverse functionality. This type of tender allows for flexibility and customisation to meet the specific needs of the buyer.
Reserved contracts	Expanding access to public tenders for social enterprises / SMEs	Member States should better transpose and enforce the provision on reserved contracts for sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons (Art. 20 of the 2014 EU Procurement Directive). They should adequately transpose the article, ensuring social enterprises' eligibility and applicability for both people with disabilities and disadvantaged persons. Reserved contracts help guarantee social enterprises' continuity in reinforcing the social mobility of individuals far from the labour market, especially in the current context of limited public procurement access.

Best Price-Quality Ratio criteria	Higher recognition of social, economic and environmental requirements in public procurement contracts, departure from race to the bottom bids	The Best Price-Quality Ratio criteria (BPQR) – emphasising the quality of services and the primary mission driving tenderers – should be the default option when evaluating bids that concern services for the person and the environment.
Partnerships and consortia	Fulfilling tender's minimum requirements, enabling access to larger contracts, synergies between organisations with different areas of expertise, more robust execution of contracts	Public procurers should promote consortia bidding and the formation of social enterprise clusters.
Limited scope and/or simplified procedures of public tenders	Enabling SMEs to compete, reducing administrative burden, bridging capacity gaps	Dividing large contracts into smaller lots makes these more accessible to small and medium enterprises including those of the social economy.
Capacity building measures	More knowledge of social economy actors' characteristics and how to facilitate their access to public procurement, resource pooling	Encouraging initiatives include the European Commission's foreseen national-level workshops for public procurers, as envisioned under the Social Economy Action Plan. ⁷¹ Such measures should promote the combination of social and circular criteria in relevant tenders, the use of reserved contracts, contract division into smaller lots, and other ways to support social enterprises. In addition, public authorities should consider establishing a shared pool of resources such as those referenced in Case study #8.
Clear and enforceable targets for social and circular objectives	Complementary policy interventions to maximise effectiveness, efficient resource allocation, accounting for different levels of resources across the EU	Clear and enforceable targets in procurement contracts can lead to quantifiable impact while giving contracting authorities flexible leeway on how to meet them. Examples of socially responsible targets ⁷² may be total hours of work allocated to employment of marginalised groups or total contract value awarded to social enterprises. Circular procurement targets may take the form of rates of reused products in procuring specific product streams or the total CO ₂ emissions saved by enacting circular public procurement. There are further relevant targets based on Member State specifications such as rates for risk of poverty and social exclusion, reuse in waste, urban population, GDP per capita.
Monitoring, data collection and knowledge sharing	Testing assumptions, demonstrating social and environmental benefits, facilitating access to best practice and other relevant information that can stimulate socially responsible and green public procurement	Public support is necessary to develop fit-for-purpose data collection systems. These need to account for the limited capacity of SMEs including social enterprises in the circular economy to conduct such activities. There should be a limited set of meaningful indicators and adequate resources foreseen for the monitoring, evaluation and learning. To facilitate knowledge exchange and replication of best practice, one-stop-shop online platforms at the EU level presenting best practices of (joint) green and social considerations would be welcome. Such initiatives could also help improve social enterprises' market visibility and address negative perceptions about social enterprises and reused goods. Online portals should link the already-existing institutional publications to foster socially responsible and green public procurement, as well as stakeholders' publications like this report. Equally, these platforms should link viewers to institutional websites such as the EU Social Economy Gateway website set up by the European Commission ⁷³ to enrich the shared knowledge base.

ANNEX: GLOSSARY

- **Award criteria (or criteria):** a set of specified criteria by which bids are to be evaluated and the successful bidder selected.⁷⁴
- **Award of a procurement contract:** A final stage of the procurement resulting in the conclusion and entry into force of a procurement between the procuring entity and selected supplier(s).⁷⁵
- **Bid (or tender submission):** A technical and financial offer of an entity for a specific public procurement competition.⁷⁶
- **Bidder (or tenderer):** An entity that submits a bid for a public procurement competition.⁷⁷
- **Circular public procurement:** A process whereby public authorities seek to procure goods, services, and works in a way that is aligned with the principles of the circular economy.⁷⁸
- **Contract award (or award of procurement contract):** The result of a public procurement competition, in terms of winning bidder(s) and contract budget.⁷⁹
- **Framework Agreement:** Contractual agreement for a fixed period between procuring entities and selected supplier(s), concluded following a public procurement competition, which sets the conditions for future, repetitive purchases.⁸⁰
- **Green public procurement:** A process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured.⁸¹
- **Life Cycle Cost (LCC)** is the sum of all recurring and one-time (non-recurring) costs over the full life span or a specified period of a good, service, structure, or system. It includes purchase price and associated costs (delivery, installation, insurance, etc.), operating costs (including energy, water use, maintenance, etc.), and end-of-life costs (such as decommissioning or disposal). LCC may also include the costs of externalities such as greenhouse gas emissions.⁸²
- **Most Economically Advantageous Tender (MEAT):** Bid evaluation process through which the successful bid is ascertained on the basis of combining technical and financial characteristics of the bids.⁸³
- **Minimum requirements:** A set of financial, technical or administrative conditions that all tenderers must meet in order to be awarded the contract.
- **Negotiated procedure:** A type of tender by which the buyer contacts suppliers individually, only under specified conditions, and terms are negotiated.⁸⁴
- **Open procedure:** A type of tender by which any service provider may submit a bid and compete.⁸⁵
- **Public procurement:** A process by which public authorities, such as government departments or local authorities, purchase work, goods or services from companies.⁸⁶
- **Restricted procedure:** A type of tender by which those suppliers invited to bid by the public body (normally after the publication of a contract notice and the consequent expression of interest) may submit a tender.⁸⁷
- **Social enterprise:** A type of organisation that operates by providing goods and services for the market in an entrepreneurial and often innovative way, having social and/or environmental objectives as the reason for their activity.⁸⁸
- **Social public procurement:** A procurement approach whereby social and environmental impact is as decisive as the value of the service and product demanded⁸⁹; in other words, social public procurement aims to address the impact on society of the goods, services, and works purchased by the public sector, therefore ensuring that procurement achieves social benefits.⁹⁰
- **Technical specifications:** A set of technical aspects and features that the buyer demands for the provision of the goods or services being procured.
- **Tender (or procurement procedure):** The procedure by which a public sector entity acquires goods, services and works.⁹¹

ENDNOTES

- 1 As defined by the European Commission, “Public procurement refers to the process by which public authorities, such as government departments or local authorities, purchase work, goods or services from companies.” (Available [here](#)).
- 2 European Commission (2017) Communication: Making Public Procurement work in and for Europe. (Available [here](#)).
- 3 idem.
- 4 Caimi, V. & Sansonetti, S. (2023) The social impact of public procurement, publication for the Committee on Employment and Social affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg. (Available [here](#)).
- 5 European Commission (2021) Buying Social - a guide to taking account of social considerations in public procurement (2nd edition). (Available [here](#)).
- 6 European Parliament (2022) Resolution on the EU Action Plan for the Social Economy. (Available [here](#)).
- 7 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Public procurement for a better environment (COM -2008- 400). (Available [here](#)).
- 8 European Commission (2017) Public Procurement for a Circular Economy - Good practice and guidance. (Available [here](#)).
- 9 Nordic Council of Ministers (2017) Circular Public Procurement in the Nordic Countries. (Available [here](#)).
- 10 The waste hierarchy is a tool used in the evaluation of processes that protect the environment alongside resource and energy consumption from most favourable to least favourable actions. The EU Waste Hierarchy is enshrined in Article 4 of the EU Waste Framework Directive 2008/98/EC.
- 11 European Commission (n.d.) Waste Framework Directive. (Available [here](#)).
- 12 Circularity Gap Reporting Initiative (2023) The Circularity Gap Report 2023. (Available [here](#)).
- 13 Eurostat (2020) Waste Statistics. (Available [here](#)).
- 14 Rakhshan, K., Morel, J. C., Alaka, H., & Charef, R. (2020) Components reuse in the building sector—A systematic review. *Waste Management & Research*, 38(4), 347-370. (Available [here](#)).
- 15 BioRegional (2003) BedZED: Toolkit Part I A guide to construction materials for carbon neutral developments. (Available [here](#)).
- 16 WRAP (2012) Valuing our clothes: the true cost of how we design, use and dispose of clothing in the UK. (Available [here](#)).
- 17 RREUSE (2021) Job creation in the reuse sector: Data insights from social enterprises. (Available [here](#)).
- 18 RREUSE (2023) Putting people and skills at the core of the circular economy: 18 stories from social enterprises. (Available [here](#)).
- 19 European Commission (2017) Communication: ‘Making Public Procurement work in and for Europe’. (Available [here](#)).
- 20 Caimi, V. & Sansonetti, S. (2023) The social impact of public procurement, publication for the Committee on Employment and Social affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg. (Available [here](#)).
- 21 RREUSE (2023) Buying Social and Green from Social Enterprises *Updated Position paper on the Public Procurement Directive 2014/24*. (Available [here](#)).
- 22 Directive European Parliament and Council (2014) Directive 2014/24/EU on Public Procurement. (Available [here](#)).
- 23 Idem.
- 24 European Parliament (2023) Parliament and Council agree on new rules to regulate the construction products sector. (Available [here](#)).
- 25 The French law against waste for a circular economy (AGEC) mandates the procurement of at least 20% of furniture from the reuse sector.
- 26 The SOLIDEO board of directors is made up of 38 individuals including: 19 representatives of the French State, 12 representatives of local authorities, the president of the Paris 2024 Organisation Committee, the president of the French National Olympic and Sports Committee (CNOSF), and more. It is led by the mayor of Paris, who oversees the works and ensures coordination between the several organisations responsible for the preparation of the Games.
- 27 See <https://www.paris2024.org/en/a-social-charter-for-responsible-games/>
- 28 SOLIDEO has highlighted that this was a rather ambitious target in the context of public procurement in France. Normally, public tenders including this type of social clauses aimed for 5% of working hours dedicated to social employment. Therefore, 10% is an ambitious target.
- 29 Article 79 of the French Law of Energy Transition for Green Growth sets a target of 70% recovery of materials and waste produced on construction sites for which a public body is the contracting authority.

- 30 SOLIDEO (2023) La logistique fluviale, une solution écologique au cœur de la construction du Village des athlètes. (Available [here](#)).
- 31 The study was conducted by L'Ameublement Français, Valdelia and Asteres. They gathered data from circular economy operators, notably from the social economy, including information about volume, storage capacity and types of furniture available.
- 32 For the whole lifecycle of the infrastructure, it is calculated that the baseline CO₂ emissions would stand at 1,408,571 tonnes. It is estimated that due to the approach taken by the organisers the final emissions will stand at 955,420 tonnes. If only construction products and equipment are taken into account, the baseline emissions are 692,447 tonnes, and the final emissions of the Games, 533,579 tonnes of CO₂. For more details about these calculations, see SOLIDEO (2022) Excellence Environnementale: Stratégie & Mise En Oeuvre. Point d'Étape Octobre 2022, page 44.
- 33 SOLIDEO (2023) Les Batisseuses Les Batisseurs. (Available [here](#)).
- 34 Taking into account that the average number of working hours in a year is 2,080, this is equivalent to over 1,050 FTE integration workers involved in the Paris Olympics public tenders.
- 35 The International Council of Clean Transportation (2021) CO₂ emissions from trucks in the EU: An analysis of the heavy-duty CO₂ standards baseline data. (Available [here](#)).
- 36 The tender's value did not surpass the procurement thresholds established by both Irish and European Union regulations and thus, the process to select a supplier was subjected to less stringent criteria. This is in accordance with the flexibility allowed for lower-value contracts, which are not bound by the formal procedures mandated for tenders exceeding the thresholds.
- 37 According to CRNI's consortium calculations.
- 38 Scotland Excel Framework No: 2019 (Available [here](#)).
- 39 Revolve is a standard awarded to reuse operators that adhere to high standards of safety, cleanliness and service. This certification guarantees buyers the high quality of the goods and signifies a strong commitment to quality.
- 40 However, most buyers have opted to send orders in and let the Reuse Consortium suppliers input into the system, as the buyers have their own procurement systems and then would have to use both.
- 41 Tenderers had to submit an average item unit price for each of the four categories (i.e. flooring, hard furnishings, soft furnishings, white goods), and an average unit price for a minimum of 80% of the specific items. (e.g. dining chairs, tables, chairs and wardrobes).
- 42 A key aspect is compliance with a Recycled Material Standard such as Zero Waste Scotland's Revolve or Attributes of Recycled Content (ARC).
- 43 The Consortium uses a carbon conversion figure of 2,65 kg of CO₂ emissions prevented per kg of reused furniture. This figure was provided by Cunninghame Furniture, a member of the consortium, based on available research.
- 44 Idem.
- 45 The tender involved the collection and treatment of used textiles from the following districts: Arganzuela, Carabanchel, Usera, Puente de Vallecas, Villaverda, y Villa de Vallecas.
- 46 Recumadrid had previously engaged with the Local Council of Madrid through the MARES project. This was an initiative led by the Council to promote urban transformations through social economy initiatives across various sectors including the circular economy. This collaboration served as an opportunity to highlight the importance of social enterprises in the circular economy.
- 47 For more information on the impact of the COVID-19 pandemic on social enterprises active in the circular economy, see RREUSE (2022) Ingenuity And Resilience: Social Enterprises During The Covid-19 Crisis. (Available [here](#)).
- 48 That includes, among others, enclosed warehouses in which the material is received, sorted, packaged or any other type of activity necessary. Bidders must provide detailed information on the infrastructure available.
- 49 Information from Solidanca's annual impact reports including a section on Ecoinserta.
- 50 Article 51 prescribes that buyers may reserve the right to bid to protective workshops or social enterprises whose main goal is the social and professional integration of persons with disabilities or persons in a disadvantageous position.
- 51 Humana Nova considered that there was a conflict of interest because of URIHO's ownership structure. The State Commission for the Supervision of Public Procurement Procedures later concluded that URIHO qualified as an authorised bidder and that there was no conflict of interest.
- 52 Maeve Thornberry and Associates (2017) Paint Reuse – A study in practices in Ireland and abroad.
- 53 Ireland's Climate Action Plan 2022 established a national target of reducing Greenhouse Gas emissions by 55% by 2030 compared with 1990 levels.
- 54 The National Waste Management Plan for a Circular Economy (under consultation)
- 55 This distribution aligns with the public procurement guidelines published by the Department of Public Expenditure and Reform in Ireland in 2020. See Officer of Government Procurement (2020) Public procurement guidelines for goods and services. (Available [here](#)).
- 56 Rediscover Paint observed that, in the absence of delivery, community groups, often managed by volunteers with limited time, may neglect picking up their orders. Consequently, integrating delivery costs into the public tender was considered as a crucial step to guarantee the fulfilment of orders and ensure that the paint was effectively utilised, resulting in more product usage.
- 57 2.4 kilograms of CO₂-equivalent emissions per kilogram of reused paint.
- 58 Paint Reuse Network (2023) A guide for Local Authorities seeking to procure reused paint in support of schools, communities, and voluntary groups (Available [here](#)).
- 59 Paint Reuse Network (2023) A guide for Local Authorities seeking to procure reused paint in support of schools, communities, and voluntary groups (Available [here](#)).
- 60 At the time of public tender there was a nationwide 70% target for recycling construction and demolition waste. We have not confirmed whether this is still in place.
- 61 An approach to demolition that aims to maximise the quantity of building components and materials delivered for reuse and high-quality recycling. The first step of selective demolition is soft stripping. This covers the removal of furniture and easily dismantled indoor equipment (e.g. sanitary ware, air conditioning equipment and radiators, etc.). The objective of soft stripping is to facilitate the reuse of dismantled elements.
- 62 This was conducted by Ramboll Finland.
- 63 The Tuukkala Hospital, with a floor area of 5,350m², generated around 9,000 tonnes of waste, of which 8,000 tonnes of concrete, brick, and ceramic waste, with an additional 400 tonnes of contaminated concrete. The Pankalampi site, with a floor area of 9,855m², produced almost 15,000 tonnes, of which around 11,000 tonnes of concrete, tile, and ceramic waste.
- 64 The tool includes three separate calculators: 1) CO₂ calculator for Demolition and Renovation Sites, 2) CO₂ calculator for concrete and 3) CO₂ calculator for soil transport. All of these were tested on Mikkeli demonstrations.
- 65 European Commission (2017), Communication: 'Making Public Procurement work in and for Europe'. (Available [here](#)).
- 66 European Court of Auditors (2023), Special report: Public Procurement in the EU - Less competition for contracts awarded for works, goods and services in the 10 years up to 2021. (Available [here](#)).
- 67 European Commission (2021), Commission Report: Implementation and best practices of national procurement policies in the Internal Market (Available [here](#)).
- 68 (European Commission (2017), Public Procurement for a Circular Economy - Good practice and guidance. (Available [here](#)).
- 69 European Commission (2016), Tender OIB.02/PO/2016/031/713 - Works to renovate the facades of buildings L-84 and L-86. (Available [here](#)).
- 70 Kamp C (2023), Brochure: The role of social enterprises in circular construction. (Available [here](#), Dutch).
- 71 European Commission (2021), Communication: Building an economy that works for people: an action plan for the social economy. (Available [here](#)).
- 72 Examples: Total value of public tenders awarded to social enterprises and total hours of work needed for the implementation of public tenders allocated to social employment in the Paris Olympics preparatory works (SEs + SMEs a minimum of 25%, aprox. €536 million; and 10% of the working hours, aprox. 2,475,000 working hours). Spanish law mandates 50% of tenders related to the collection of used textiles to be awarded to social and circular enterprises. Croatian law requires that at least 2% of public procurement contracts need to be reserved contracts.
- 73 European Commission (2022), EU Social Economy Gateway website. (Available [here](#)).
- 74 Adapted from OECD (2014) OECD Public Governance Committee Survey Questionnaire on Public Procurement – Definition of Key Terms. (Available [here](#)).
- 75 OECD (2014) OECD Public Governance Committee Survey Questionnaire on Public Procurement – Definition of Key Terms. (Available [here](#)).
- 76 World Bank (2019) Procurement Glossary. (Available [here](#)).
- 77 World Bank (2019) Procurement Glossary. (Available [here](#)).
- 78 Adapted from Nordic Council of Ministers (2017) Circular Public Procurement in the Nordic Countries. (Available [here](#)).
- 79 World Bank (2019) Procurement Glossary. (Available [here](#)).
- 80 World Bank (2019) Procurement Glossary. (Available [here](#)).
- 81 European Commission (2008) Public procurement for a better environment. (Available [here](#)).
- 82 Adaptation based on OECD (2014) OECD Public Governance Committee Survey Questionnaire on Public Procurement – Definition of Key Terms (Available [here](#)) and European Commission (website consulted in February 2024) Life-cycle costing (Available [here](#)).
- 83 World Bank (2019) Procurement Glossary. (Available [here](#)).
- 84 Adapted from OECD (2014) OECD Public Governance Committee Survey Questionnaire on Public Procurement – Definition of Key Terms. (Available [here](#)).
- 85 Adapted from OECD (2014) OECD Public Governance Committee Survey Questionnaire on Public Procurement – Definition of Key Terms. (Available [here](#)).
- 86 European Commission (website consulted in January 2024) Public procurement. (Available [here](#)).
- 87 Adapted from OECD (2014) OECD Public Governance Committee Survey Questionnaire on Public Procurement – Definition of Key Terms. (Available [here](#)).
- 88 European Commission (2021) Social Economy Action Plan (SEAP) (Available [here](#)).
- 89 ILO (2021) Social Procurement Guide. (Available [here](#)).
- 90 Adapted from European Commission (2021) Buying Social - a guide to taking account of social considerations in public procurement (2nd edition). (Available [here](#)).
- 91 World Bank (2019) Procurement Glossary. (Available [here](#)).

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