

The Role of Circular Procurement in Municipal Waste Management Strategy

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STRATEGY MAKERS CONSULTING Mike Fernandes, StrategyMakers Consulting Phone: 204-223-4460 Email: mikefernandes@strategymakers.ca

### The Linear Economy – Take, Make, Waste





### Linear economy thinking is simply NOT sustainable!



www.circularity-gap.world/2025

• We now extract over 100 billion tonnes of material from the planet each year (12.2MT/person/year)

 Only 6.9% of total material flowing into our global economy is derived from secondary/circulated sources (recycling, repurposing, downcycling, etc.)









### **Circular Economy Principles**

Eliminate waste and pollution Circulate products and materials at their highest values

Regenerate nature



## Procurement – a <u>strategic</u> function

Procurement is a multi-faceted process of acquiring the goods/services an organization needs to operate in a manner that deliver best possible value, considering factors like cost, quality, and reliability.



Procurement through linear thinking - Top criteria (\*note this is a simplified generalization)

Does it meet our minimum specifications, requirements (at least for the specific time period we're interested in)?

Is it the lowest, or reasonably near to lowest, cost bid?

Is this supplier qualified, capable, trustworthy?

### What is Circular Procurement

Circular procurement is the consideration of a product from design stage through to end-of-life stage.

The main priorities of circular procurement are:

- Product longevity
- Sustainability of materials and resources
- Reduction of waste
- Restoration of products
- Optimising value and life cycle costs

https://www.cips.org/intelligence-hub/sustainability/circular-procurement

Example of early attempt at incorporating circularity thinking in procurement

"Interested proponents are encouraged to consider opportunities for demonstrating environmental sustainability. *Environmentally preferable products and services*, while not a mandatory requirement, may be considered in evaluation of tendered bids"

# Early, but limited, wins for Recycling, Recycled Content and less wasteful alternatives









### A Circular Procurement Hierarchy Model

More Circular

Refuse	Avoiding products or materials that are unnecessary.
Rethink	Reconsidering and redesigning products to enhance circularity.
Reduce	Minimizing the amount of products or materials needed or used.
Reuse	Using products or materials multiple times to extend their lifecycle.
Repair	Fixing damaged products or components to restore their functionality.
Refurbish	Updating used products to improve their condition and extend usability.
Remanufacture	Disassembling used products to refurbish components into like new products.
Repurpose	Adapting used products or materials for a new use or function.
Recycle	Converting used materials or products into new raw materials.

Diagram adapted from: Categorisation System for the Circular Economy, European Commission

### **Circular Procurement Benefits**

- Reduces costs in the short and long term
- Lifts some of the burden from your organisation
- Counters the depletion of scarce raw materials and environmental problems
- Greater transparency in the supply chain
- Your organisation becomes future proof (lower costs, greater security of supply)
- More robust supply chain
- Enhances your reputation and gives your brand greater distinction in the market
- Helps to modernise your business models
- Frequency of buying will be lowered due to the extended life of products

https://www.cips.org/intelligence-hub/sustainability/circular-procurement

### The Transition to Circularity is happening...momentum is growing...and it will impact how procurement decisions are made!

European

Energy, Climate change, Environme

Environmen

The Circular Built Environment in Canada: A Strategic Framework for Future Action, CSA, March 2024



GM28.29 Attachment 1

**Circular Economy Procurement Implementation Plan and Framework** (CE Framework)

**Procurement Implementation Plan** 

#### Overview

This Circular Economy Procurement Implementation Plan and Framework (CE Framework) will be used to leverage the City of Toronto's purchasing power to drive waste reduction, economic growth, and social prosperity through a circular economy approach.



### 5 Point Strategy from Circular Procurement Leaders

- 1. Buy less
- 2. Buy better
- 3. Use better



4. Use longer

5. At end-of-useful life (<u>to you</u>!) stage, recycle/divert to best possible next use

## Raising awareness, sharing tools/info is still job 1

### Awareness of Circularity

#### Nearly seven in ten indicate they are familiar with cir

Q1. (Circularity) is a concept that touches on several different business pra

1. Re-design products, services and processes to reduce waste and pollut

2. Continue using resources, materials and products for as long as possibl

3. Regenerate nature by reducing or avoiding the use of non-renewable resystems.

Before today, have you heard, seen or read anything about circularity or th



### **Barriers to Adopting Circular Practices**

Respondents are most likely to raise cost-related challenges and a lack of clear information

Q6. What do you think are the main barriers that could prevent your organization from adopting circularity practices? (Base: All respondents, N=103)



#### % ranking this as among their top-3 reasons

18

### Supply Chain industry/profession is getting on board







can≻sustain

Supply Chain Canada, Manitoba and Saskatchewan Institutes have received government funding to complete a project that aims to increase the adoption of circularity principles and practices within supply chains to of small and medium sized enterprises (SMEs) through industry engagement and development of tools, resources, and training materials.

**Project Purpose:** To increase the adoption of circularity principles and practices within supply chains to increase the competitiveness, resilience, and productivity of small and medium sized enterprises (SMEs).



ABOUT

CIRCULARITY **OVERVIEW** 

**CIRCULAR SUPPLY** CHAIN FOR SMES

EDUCATION & EVENTS

RESOURCES & TOOLS

LOCAL **EXAMPLES** 

CONTACT

# **Circular Economy Resources for All** Sectors

Supply chain management is a central function in every organization and plays a critical role in the transition towards a Circular Economy.

This website provides resources uniquely geared to SMEs while also being sector agnostic. This allows you to easily understand the broad principles of the circular economy while also adapting the ideas to particular types of business.

Increase your resilience and success in the rapidly evolving Circular Economy.

#### LEARN MORE



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# FOUNDATIONS

### in Supply Chain Circularity

FOR SMALL AND MEDIUM SIZED ENTERPRISES





Designed for supply chain management, this 7-module educational course will continue to be updated providing current information on circularity.

This resource is sector agnostic, meaning that businesses from any sector learn to adopt and adapt circularity principles to remain at the forefront of sustainable innovation.

Each module can be consumed individually or in combination.

MB/SK Procurement Readiness Assessment and Guidelines





Ensure understanding of circular procurement

Review procurement processes

Identify areas for integration

Prioritize products and materials

Modify supplier evaluation process for circularity

Monitor and report



https://emf.gitbook.io/circ ular-procurement-forcities

> GM28.29 Attachment 1

https://www.toronto. ca/legdocs/mmis/20 18/gm/bgrd/backgrou ndfile-115664.pdf

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### Key Takeaway

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Circular Economy is an ideal that is contingent on all parts of the economic system working *interdependently* towards a common goal. We need government, companies, consumers, elected officials, supply chain managers, and everyone else involved in this global task.

- × Bury it
- × Burn it
- × Litter it
- × Dump it in the lake



- Design it smarter in the first place
- ✓ Repair it
- ✓ Reuse it
- ✓ Recycle it
- ✓ Recover nutrients from it
- Recover the energy embedded in it



# Thanks for letting me be part of your day, and conference!



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