From:
To:

DECC GPP

Cc: <u>CIRCULÉIRE (IMR)</u>; <u>(DECC)</u>

Subject: GPP Public Consultation Submission - Prepared by IMR on behalf of CIRCULÉIRE's Cross-Sectoral Industry

Members

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To Whom It May Concern,

Please find herewith a submission to the GPP Public Consultation prepared by IMR on behalf of CIRCULÉIRE's cross-sectoral industry membership base.

Sincerely,

Head of Circular Economy



Unit A | Aerodrome Business Park | Rathcoole | Co. Dublin | D24 WC04 | Ireland



Public Consultation: Draft Green Public Procurement Strategy & Action Plan (2023-2027)

Submitted by Irish Manufacturing Research on behalf of CIRCULÉIRE Network Members

10th November 2023 V01.0







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1 Irish Manufacturing Research (IMR) - Secretariat of CIRCULÉIRE

Irish Manufacturing Research (IMR) is a leading Research and Technology Organization (RTO) established in 2014 through collaboration between industry and the government. IMR's headquarters are in Dublin, with a state-of-the-art facility covering 45,000 sq. ft., equipped with R&D pilot lines and development labs in Mullingar. IMR partners with prominent global and indigenous brands to demystify and reduce risks associated with new and emerging technologies, delivering impactful collaborative research.

Our vision statement is to enable Ireland as a global leader in advanced manufacturing. Our tagline, "Demystify, Derisk, and Deliver," reflects our commitment to providing clarity and understanding of emerging technologies, mitigating potential challenges, and ensuring successful implementation. Our ambition is to empower manufacturing industries of all sectors and sizes to be global leaders in advanced manufacturing, enabling them to compete and thrive in the global economy. Additionally, we support manufacturing industries in understanding the factory of the future, identifying emerging skills, and promoting sustainable manufacturing practices.

The organization boasts a team of c.100 experienced researchers and has established over 40 active research partnerships with industry and eight academic partnerships, ensuring seamless integration within the manufacturing ecosystem. IMR's expertise spans four thematic pillars: Digitization, Robotics and Automation, Design for Manufacturing, and, Sustainable Manufacturing, establishing them as a key player in the rapidly evolving world of advanced manufacturing. Through a comprehensive portfolio of operations research, training, and consultancy services, IMR empowers industries with the necessary tools to succeed and grow.









2 Overview of CIRCULÉIRE

CIRCULÉIRE - The National Platform for Circular Manufacturing – is Ireland's first industry-led public-private partnership dedicated to scaling circular innovation. CIRCULÉIRE was launched in 2020 by Irish Manufacturing Research (IMR), an Enterprise Ireland and IDA Ireland supported Technology Centre, in partnership with the Department of the Environment, Climate and Communications (DECC), the Environmental Protection Agency (EPA), and EIT Climate-KIC and 25 cross-sectoral Founding Industry Members.

Between 2020 and 2022, CIRCULÉIRE has taken manufacturers and their supplychains on a journey from linear to circular business models through baselining, assessments, business case development, deep demonstration innovation projects and thematic working groups- raising industry awareness of circular practices and supporting its' members to contribute to their voluntary commitment to reduce their collective CO2 emissions and eliminate waste streams.

In recognition of the noteworthy progress made by CIRCULÉIRE in creating significant momentum around circular economy implementation across industry during its' pilot phase (2020-2022), <u>DECC announced in November 2022</u>, €1.5 million continuation funding for the initiative in 2023 to build on the momentum to date and maintain critical industry engagement to continue to deploy circular economy principals and best practices.

As of September 2023, CIRCULÉIRE has over 50 cross-sectoral industry members ranging from ventures, micro-enterprise to SMEs and MNCs – across the Built Environment, Automotive, Financial Services, Medical Devices, Agri-Food & Drinks, Pharmaceutical & Chemicals, ICT/WEEE, Textiles & Fashion, Plastics and Consumer Goods.



Figure 1: CIRCULÉIRE – Industry participating members (as at September 2023)









3 CIRCULÉIRE Industry Member GPP Consultation Process

This submission has been prepared by IMR on behalf of CIRCULÉIRE and builds specifically on input from our industry members who participated in a virtual policy townhall which took place on 7th November 2023. The link to the Draft GPP Strategy & Action Plan was circulated to members in advance and during this meeting the following elements of the plan were presented and discussed:

- Key objectives of the draft GPP Strategy & Action Plan
- Summary of Chapters 2-6 of the draft GPP Strategy & Action Plan
- Deep dive on:
 - o Chapter 7 Sectoral Focus & GPP Targets
 - o Chapter 8 GPP Verification
 - o Chapter 12 Market Engagement, Networks and Knowledge Sharing
 - Appendix II Sectoral / Product Targets
 - Appendix III Minimum Environmental Criteria for Public Procurement of Goods & Services.

18 participants from 16 x CIRCULÉIRE Industry member organisations participated in the policy townhall, and the responses outlined below summarise these members' views on how the Government of Ireland can utilise GPP as a market building mechanism to create increase incentives for Irish industry in their transition towards a zero-carbon circular economy.

It is worth noting that for those members who participated in the CIRCULÉIRE's GPP policy townhall who do not currently work directly with the public sector, many already have an indirect connection with the public sector because their customers or end-users are working for/with the public sector. As a result, these participants were interested in understanding how the GPP Strategy & Action Plan would potentially influence their customer requirements in the future.

IMR would like to thank CIRCULÉIRE's Industry Network Members for contributing their valuable time and insights which form the basis of this submission. See list of participating organizations below.

CIRCULÉIRE Townhall Participants – 07/11/2023	Sector	Organisational Type
Aughinish Alumina	Aluminium	MNC
Boston Scientific	Medical Devices	MNC
Cirtex	Textiles	SME
Circol ELT	Automotive / Tyres	EPR Scheme
Decotek Automotive	Automotive	SME
Farrell Furniture	Built Environment	SME
Freefoam	Built Environment / Plastics	MNC
Huhtamaki Cup print	Paper / Packaging	MNC
IFF Plastics Ltd	Plastics	SME
IQUTECH	ICT / Electronics	SME
Masonite	Built Environment	MNC
Niskus Biotec	Agri-Food & Drinks	Venture / Micro
Offerre	Medical Devices	Micro-Enterprise
KnowCarbon	Solution Provider	Venture / Micro
WEEE Ireland	ICT / Electronics	EPR Scheme
Well Spent Grain	Agri-Food & Drinks	Venture / Micro









4 Q#1 - GPP Strategy & Action Plan Approach

Q1. Do you think the approach as detailed in the draft Green Public Procurement Strategy and Action Plan will significantly increase Green Public Procurement across the Public Sector?

CIRCULÉIRE's secretariat, IMR, and our cross-sectoral industry members welcome the overall focus of the GPP Strategy's proposed objectives which are stated in the public consultation draft as follows:

- Enhance GPP as a key tool for the Public Sector in helping Ireland's transition to a sustainable, circular and low carbon economy.
- Ensure GPP is a core and integral component of the public procurement process and associated governance structures in Ireland.
- · Set out measures to ensure that all procurement using public funds include green criteria, where possible.
- Support further development of GPP criteria, enhance GPP knowledge and expertise and facilitate Ireland's participation in international collective efforts to use GPP as a lever for sustainable production and consumption, and;
- · Support market conditions needed to deliver sustainable and innovative solutions for GPP

However, to significantly increase GPP as an enabler of circular economy implementation through public procurement CIRCULÉIRE industry members highlight and recommend the following is addressed in the final GPP Strategy & Action Plan:

- Perceived tension between End of Waste Regulations & GPP Industry members believe that the GPP needs to be combined with an overall strategy that allows materials to be retained in the circular economy highlighting that the end of waste criteria logjam is preventing, the use of processed waste, from being considered a new product. Moreover, members contended that without an overhaul of waste regulations to allow materials to be reused and recycled, setting targets for reuse or recycled content in products will not be realistic nor achievable by Irish businesses.
- Alignment between GPP Sectoral/Product Targets / Priorities and Whole
 of Government CE Strategy Sectoral Targets Industry members called for
 greater clarity of relationship between forthcoming Whole of Government CE
 Strategy Sectoral Targets (anticipated in 2024 related to construction,
 agriculture, retail, packaging, textiles, and electronic equipment) and the GPP
 national criteria and sectoral/ product targets.









- More ambitious GPP Criteria explicitly linked to Circularity: While CIRCULÉIRE members welcomed the explicit commitment outlined in Action (A7) related to the development of specific guidance linking the application of GPP criteria to the circular economy, members believe that given GPP's significant spending power in the Irish economy, GPP criteria should be improved across the GPP base with explicit linkages to circularity as a matter of urgency. Moreover, as a minimum GPP criteria evidence of Producer Registration for all relevant product streams as a baseline criterion across GPP is recommended across for example: ICT and other Electrical Equipment, Batteries, Packaging, Tyres, Vehicles, Farm Plastics and the new EPR streams.
- Broader range of GPP Sectoral / Product Targets: To fully utilise the GPP in Ireland as a market building mechanism to create increase incentives for Irish industry in their transition towards a zero-carbon circular economy, industry members would like to see the GPP Strategy and Action Plan commit to delivering a wider range of sectoral targets and national criteria for a more extensive range of sectors and products please refer to Section 8 herein for specific recommendations for sectoral and product targets.
- **GPP Verification & Pivotal role of Standards/Certification** Instead of creating criteria from scratch, industry participants recommended that existing, international, or nationally accredited and accepted circular economy and sustainability standards/certification were leveraged to underpin GPP criteria, such as the TM66 for the lighting sector. The rationale underpinning this recommendation is as it is perceived as making GPP implementation easier and easier for industry to adhere to please refer to Section 9 herein for further recommendations and reflections on GPP verification and certification.
- Greater Market-Engagement Supports Required Industry participants stressed that smaller, micro, and social organisations needed assistance to qualify for GPP, or else they would be overshadowed by larger competitors. Highlighting local authorities in particular, participants recommended that public sector bodies should invest in increased market engagement and GPP mentoring initiatives to support micro-enterprise and SME's increased engagement in public sector procurement processes. Please refer to Section 9 herein for further recommendations and reflections Market Engagement Supports









5 Q#2 - Key Aspects/Actions for Inclusion in GPP

Q2. Are there any other key aspects or actions that could be effective in implementing Green Public Procurement and that you think should be considered for inclusion in the Green Public Procurement Strategy and Action Plan?

More ambitious GPP Criteria explicitly linked to Circularity

- While CIRCULÉIRE members welcomed the explicit commitment outlined in Action (A7) related to the development of specific guidance linking the application of GPP criteria to the circular economy, members believe that given GPP's significant spending power in the Irish economy, GPP criteria should be improved across the GPP base with explicit linkages to circularity as a matter of urgency.
- Moreover, as a minimum GPP criteria evidence of Producer Registration for all relevant product streams as a baseline criterion across GPP is recommended across for example: ICT and other Electrical Equipment, Batteries, Packaging, Tyres, Vehicles, Farm Plastics and the new EPR streams.

Targets framed to incentivise contracting from island of Ireland

Multiple targets outlined qualifications like "where market availability" or
 "recycled content", CIRCULÉIRE members recommend expanding
 qualifications to drive procurement of products and services in Ireland first e.g.
 "where available in Ireland / island of Ireland" to encourage, prioritise and
 reward Irish innovators and innovation and reduce imports where Irish
 solutions/products were available thereby boosting the Irish economy.

Broader range of GPP Sectoral / Product Targets

 To fully utilise the GPP in Ireland as a market building mechanism to create increase incentives for Irish industry in their transition towards a zero-carbon circular economy, industry members would like to see the GPP Strategy and Action Plan commit to delivering a wider range of sectoral targets and national criteria for a more extensive range of sectors and products – please refer to Section 8 herein for specific recommendations for sectoral and product targets.

GPP Verification & Criteria - Pivotal role of Standards/Certification

• Instead of creating criteria from scratch, industry participants recommended that existing, international, or nationally accredited and accepted circular economy and sustainability standards/certification were leveraged to underpin GPP criteria, such as the TM66 for the lighting sector. The rationale underpinning this recommendation is as it is perceived as making GPP implementation easier and easier for industry to adhere to – please refer to Section 9 herein for further recommendations and reflections on GPP verification and certification.









6 Q#3 - Sectoral/Product Targets - Ambition/Timeframe

Q3: In terms of the sectoral/product targets included in the draft Green Public Procurement Strategy and Action Plan, do you have any views in re3ation to the targets, the ambition level, and a timeframe for target achievement?

Cross-Sectoral Reflection - Timely, Realistic Targets & Market Building

- Industry members recommended that timelines across all sectoral/product targets are appropriately soon and clearly specified to give industry clear signals and ultimately reward companies who proactively invest in both development of circular / sustainable products and services as well as certification of said products and services.
- However, members also highlighted that GPP targets needed to be feasible in the real world. For example, alternative eco, circular/ sustainable products and services need to be at advanced Technological Readiness Level, price competitive and available commercially at scale to compete with linear offerings. Moreover, additional investment in challenge-led procurement initiatives to support new product development through GPP was recommended by members.

ICT / Electronics Sectoral Target Ambition

- Industry members welcomed the reference to remanufactured and refurbished products in the ICT/Electronics Sectoral Target. However, clarifty was sought regarding whether the ambition for the GPP target for the ICT/Electronics sector would align with sectoral emissions and circular economy targets and recommended these were aligned.
- Members recommended prioritising "remanufactured/refurbished products in Ireland" as part of the 'where available' statement in Sectoral Target 5.
 However, members reflected that the targets did not clarify what standards these remanufactured and refurbished products should meet.
- Members stressed the importance of specifying that remanufacturing and refurbishment standards are utilised such that remanufactured and refurbished products procured perform to original manufacturer specifications.
- In addition, members recommended the use of industry-based standards to underpin GPP criteria referencing for example TM66 related to the circularity of lighting. Products with that standard have already demonstrated various environmental and life-extension / circularity aspects as a wholistic set of criteria. To reduce the need for public sector procurement teams to go through reams of documentation to consider circularity in lighting products, they could consider the products with that standard as circular. Moreover, members flagged that standards already exist in relation to EEE EN 50625 for WEEE Quality Recycling, EN 50614 -requirements for preparing for re-use of WEEE.









7 Q#4 – Additional Sectoral/Product Targets Recommended

Q4. Are there any other sectoral/product targets related to Green Public Procurement that you think should be considered for inclusion in the Green Public Procurement Strategy and Action Plan?

CIRCULÉIRE Members welcome the new national GPP criteria to be developed by the EPA (Action 13 – e.g. public works projects, furniture, paints, varnishes and road-markings) and recommend that further sectoral and product targets and associated national GPP criteria are also developed namely:

Medical Device Sectoral / Product Targets Missing

 This sector / product area is not currently Specified in GPP Strategy and Action Plan nor forthcoming Whole of Government CE Strategy, yet the HSE procure in the region of €4B per annum in goods and services. Medical Device Reprocessing (MDR) is a growing circular economy solution in the Med-Tech and Healthcare sectors. This is a significant product/sector which CIRCULEIRE members recommend be actively considered as a priority area for GPP and the forthcoming Whole of Government Circular Economy Strategy.

Road, Transport, Vehicles Sectoral Targets - Recommendation to Broaden

- Expansion of GPP Sectoral Targets beyond just procurement of zero-emission vehicles to criteria / targets which encourage the use of compliance and decision making with fleet services. For example, Bus Éireann purchasing used tires to prolong use of tyre components and materials.
- In addition, these targets should include a reference to tyre usage. Regulatory compliance is essential. Support activities like retreading where huge savings are available in relation to raw materials, carbon, etc. and apply minimum requirements.
- Moreover, minimum requirements for contracts relating to tyres are recommended. For example, by 2025/2026 minimum of 30% from recycled materials" which sets out the minimum requirements for recycled material in infrastructure products and built environment.









8 Q#5 - Additional Feedback Draft Strategy & Action Plan

Q5. Have you any other comments or feedback on the content of the draft Green Public Procurement Strategy and Action Plan?

Alignment and explicit reference to ESPR and DPP in GPP Strategy

CIRCULÉIRE's 2023 Thematic Working Group seeks to demystify and explore how our members can prepare and innovate in response to forthcoming ESPR and DPP regulations. IMR recommend explicit alignment between Ireland's GPP criteria and ESPR and DPP requirements/criteria. At present the linkage between Ireland's GPP Strategy & Action Plan and these EU regulations is not explicit. It would be beneficial for Industry to understand, if these can be aligned, and that if they are meeting ESPR and DPP requirements they are also meeting GPP criteria – it would have the potential to contribute to a stronger internal investment case and incentive for industry to engage proactively to invest in certification and digital product passport development if there were additional advantages related to ability to secure public sector contracts.

GPP Verification - Minimal Criteria for GPP + Cost of Certification

- Overall members recommended that GPP verification should be based on internationally or nationally agreed standards or certification schemes.
- However, the cost of certification was highlighted as a key barrier for industry members engagement with public procurement processes.
- Regardless, all participants agreed that certification and standards are very important. Furthermore, participants were unsure about the degree of specificity to which products had to be certified, i.e., product level vs product category level.
- Members stressed the importance of setting the right level on the verification requirements for example when it relates to for example Life-Cycle Assessments (LCA) or Environmental Product Declarations (EPD)s both of which are based on life-cycle impact assessments. Implementing these impact assessments for every specific product in a product range is onerous, costly and will not necessarily improve decisions making. Recommendation that LCA's or EPDs / certification standards are at product category level and are adjusted/pro-rata for product specific variation. See Box #1 elaborating this point further.

Box #1 - Industry Reflections on Product Level versus Product Category Level Certification

Whether certification is at a product level vs product category level is very important. For example, if you have a product like a desk that may have slight variations (bigger or smaller), it'll be a pro rata. It's overkill to look at it from a product level when you have some good data/certification on core product. If you know the footprint of a desk and another is 5% bigger, you can pro rata instead. The reason this is important is because if declarations are required for every individual product, it would be onerous and expensive (cost estimates to develop impact assessments can start anywhere from EUR 5000 increasing to >EUR15,000 depending on the nature and complexity of the product) for businesses small or large. It's important to get this hierarchy right for GPP.









Greater Market Engagement for Micro and SMEs

- Members who engaged with Local Authority tendering processes in the past reported that they did not perceive organisations delivering circular economy solutions being necessarily rewarded or an advantage when engaged in public procurement processes – despite known greater environmental benefits and cost savings of their solutions compared to linear competitors.
- Members highlighted the importance of developing GPP pathways to support smaller, micro, and social enterprises particularly in lower risk areas. For example, perhaps 20% of a furniture contract could be for companies that have applied or are on the pathway towards standard achievement. These companies mightn't be able to get to that standard due to costs until they have the contract in place.
- Members recommended developing GPP mentoring programmes (by for example Local Authorities and Public Sector bodies) whereby as part of public sector tenders they are effectively supporting smaller enterprise to reach circularity and/or sustainability product standards – thereby lifting the tide for smaller enterprises to reach the standard.
- Moreover, greater transparency down to local authority level was noted as a
 key part of market engagement for businesses and vital. For instance, if you are
 interested in being able to tender at local authority level being able to see on
 annual basis how far circularity has gone in the GPP/ having lists of suppliers
 available is important for the market engagement.
- In addition, members cited future planning support for SMEs as a key requirement highlighting that knowing what contracts are likely arise up to 2 years ahead and developing a mentoring programme for circularity tenders by Local Authorities was perceived as a key support mechanism currently lacking in the GPP Strategy and Action Plan.
- Lastly, members recommended the development of supports for smaller companies related to helping them achieve required certification to meet GPP verification requirements.











