

# Sustainable Procurement Summit Report

Submitted on October 1, 2018 to:



**Submitted by:**

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## Background

This report presents the process and key outcomes from Divert NS' Sustainable Procurement Summit, held in Dartmouth on September 21, 2018.

### Summit Objectives

The Summit had three objectives:

- To raise awareness of local companies that supply recycled products and services;
- To increase understanding of how recycled products and services could meet government needs
- To increase the procurement of local recycled products in the province.

### Summit Participants

Almost 60 key stakeholders attended the invite-only event. Summit participants included procurement professionals from provincial and municipal government, crown agencies, manufacturers of recycled products and related services, construction companies and associations, environmental organizations, and more.

### Annotated Summit Agenda

The session ran from 9:30am to 3:00pm on Friday, September 21, 2018, according to the following agenda:

1. Opening Remarks by Divert NS' CEO, Jeff MacCallum
2. Participant Introductions
3. Sustainable Procurement Overview by Lynda Rankin, Manager of Sustainable Procurement, Department of Internal Services (Procurement), Government of Nova Scotia
4. Mid-morning Break
5. Panel Discussion, featuring:
  - Kirk Herman, Central Office Sustainability Team, Nova Scotia Community College
  - Jim Simmons, H. James Simmons P. Eng Consulting Ltd.
  - Jennifer Corson and Keith Robertson, Solterre Design and Renovators Resource Inc.
6. Identify Opportunities and Challenges - Participants were invited to generate a long list of the biggest opportunities for and challenges to integrating recycled products into the supply chain. These items were posted on the wall (using large Post-it notes), with redundant items being removed, and similar items being grouped according to theme. The full list is presented in the "Opportunities and Challenges" section below.
7. Lunch Break with Exhibition - Participants had the opportunity to review the posted lists and to engage with the exhibitors, which included LakeCity Woodworkers, Thermocell, Laurentide and ABCO Industries.
8. Vote for Key Issues - Participants were each given a total of five dots to vote for the challenges and opportunities that they felt were most worthy of further discussion. The top-voted issues are presented in the "Key Issues" section below.
9. Discuss Key Issues - Participants organized themselves into seven small groups to discuss the top-voted, key issues. Details of the outcomes of these discussions are presented in the "Key Issues Discussion" section below.
10. Report Back and Wrap Up - Each discussion group briefly shared their one-page discussion summary and next steps were discussed.

The detailed facilitator's agenda is presented in Appendix A.

## Opportunities and Challenges - The List

The following themes emerged from the initial brainstorming exercise among participants (each heading is a theme, each bullet point was a posted opportunity or challenge).

### Legislation and Regulation

- Voluntary versus mandatory requirements
- Policy (rules)
- Culture change (government leadership)
- Political priorities
- Legislation
- Lack of incentive
- Support and policy alignment from centre of government
- Government to lead (create legislation to succeed)
- Incentivize business investment through legislation

### Market Our Successes, Export Our Expertise

- Export our recycling knowledge
- Be big, loud, and bright / celebrate our successes
- Share success stories widely
- Local innovation and access
- Export NSCC model to other educational institutions
- Yell out loud our successes more often - locally and internationally
- Promotion and marketing, networking, education, trade mission, unsolicited proposals

### Procurement Standards

- Expand specifications to include recycled product alternatives
- Need a baseline measurement for procurement of recycled / reusable materials
- Include recycled content percentage in tenders
- Procurement process that gives weight to sustainability
- Specifications - including sustainability criteria
- Standards give you something to measure against

### Business Development

- Business enterprises developing
- Ability to support local economy - local, national, and international success
- Recognizing economic opportunities from recycling

- Stop looking at the balance sheet. Look at economic development potential!
- Developing products from recycled materials

### Lack of Awareness and Knowledge

- Next generation awareness and understanding (NSCC, universities, leading research, industry partnerships)
- Lack of knowledge (new generation)
- Awareness of opportunities and products
- Lack of knowledge about specifications and certifications
- Need for education / awareness of scope of work by decision makers
- Who are the champions? Who is manufacturing these materials?
- Who are the players? Awareness of businesses

### Perception and Culture

- Changing socio-cultural perspectives (recycled does not mean lower quality)
- Perception of quality by consumers
- Buy-in from industry
- Educate about the quality of recycled and reusable materials
- Comfort with status quo - want to do things the same way we have always done them
- Awareness and change of culture
- Value to the organization
- Insurance, liability, and risk aversion

### Higher Costs and Other Barriers

- Project constraints - time, money, availability, tender process
- Transportation costs
- Time to sort on work site
- Cost (mentioned twice)
- More expensive
- Labour costs
- Best value versus low cost

### Networking

- Promote more cross-industry material diversion (institutional to commercial, manufacturing to construction)
- Reaching outside of Province to learn
- Network - create partnerships

## Promote the circular economy in all steps of our work

This was a standalone issue (i.e. only one item was posted, but it got several votes)

### Pilot Projects

- Pilot projects to demonstrate use / opportunities for materials
- Strategic projects (higher value uses / optimum location)
- Local post-secondary and research capacity available

### Supply of Products

- Volumes produced in the Province are not big enough
- Contamination in feedstock (municipal recycling programs)

### Other Identified Opportunities and Challenges

- Sustainable - longevity, cost, maintenance
- What can we do to deal with film plastic
- Integrating salvage into renovations and demolitions

## The Key Issues

Participants were each given a total of five dots to vote for the challenges and opportunities from the list that they felt were most worthy of further discussion. This voting resulted in the following short list of key issues identified by participants:

1. The need for legislative and regulatory reform (39 votes)
2. The opportunity to market our successes and export our expertise (28 votes)
3. The need for procurement standards (26 votes)
4. Business development opportunities for recycled products (18 votes)
5. Lack of awareness and knowledge (18 votes)
6. The need to change perceptions and culture (16 votes)
7. The challenge of higher costs and other barriers (14 votes)

These issues framed the remainder of the day's discussions.

## Key Issues Discussions

Participants organized themselves into small groups to discuss the top-voted, key issues, and were asked to answer the following questions:

1. Clarify: What is the specific nature, scope, and scale of the opportunity/challenge?
2. Identify Actions: What specific actions might you take to explore and validate this opportunity? (or) What specific steps might you take to overcome this challenge?
3. Identify Benefits: What potential benefits might you gain if you were successful?

All of the feedback/actions noted below were generated through the discussion of participants:

## Legislation and Regulation (39 Votes)

### Clarifying the Issue

Scope is municipal, provincial, and federal.

### Potential Actions

1. Mandatory diversion (by-laws)
2. Mandatory recycled content
3. Increase weighted scoring / value of recycled content in procurement
4. Incentives for recycled content in procurement, for municipalities and bidders

### Potential Benefits

- Jobs
- Innovation
- Less waste
- Positive environmental impact

## Market Success, Export Expertise (28 votes)

### Clarifying the Issue

- Marketing = moving recycled products
- Exporting = innovative companies, products, and ideas (e.g. NSCC's sustainability, education, LEED certification)

### Potential Actions

5. Identify buyers / market in Province (government) - incubation model?
6. Identify successes / products - use case studies; be loud and proud; use media
7. Buyers: associations, chambers; getting in front of government

### Potential Benefits

- Sell more material / increased revenue
- More markets
- Local economic development

## Procurement Standards (26 votes)

### Clarifying the Issue

No details were provided.

### Potential Actions

1. Create a generalized specification for products and services requiring sustainability targets
2. Solicitations need to include adequate time to evaluate alternatives or to do pre-qualification
3. Provincial directions / framework / mandate / regulatory environment
4. Pre-qualification materials

### Potential Benefits

- Creates a marketplace for repurposed materials
- Builds new business opportunities
- Ability to be creative in our implementation
- Allows vendors to be creative (win-win)
- Allows the use of alternative materials
- Sets a precedent for other provinces, municipalities, etc.

## Business Development (18 votes)

### Clarifying the Issue

1. Makes sense economically / business-wise
2. Organized, strategic approaches
3. A champion is needed!
4. Networking is key - need to expand?

### Potential Actions

1. Coalition of recycling businesses, with procurement a focus
  - a. Bring decision makers to the table
  - b. Establish targets (based on good data)
2. Get representation on the NS Government procurement forum (Provincial Advisory Group of Procurement)?
3. Create a marketplace?

### Potential Benefits

- Integral to achieving progress
- Promotes the Nova Scotia brand - we have a right to be proud and vocal!
- Demonstrates leadership
- Grows an already-successful sector (4,000 diversion jobs)

## Lack of Awareness (18 votes)

### Clarifying the Issue

All levels have lack of awareness: owners, industry professionals (engineers, consultants, architects), general public, regulators (building code), suppliers

### Potential Actions

1. Need to have a champion and set better standards; be educated
2. Network suppliers for alternatives; be champions to owners
3. Educate yourself; use your vote - remember Lynda Rankin's quote (we vote with our spending)
4. Raise the bar; be bold - educate
5. Industry professionals need to be innovators; education on their product line. Need to market to all above. "Associations" Group together, share resources, navigate public and private industry.

### Potential Benefits

- All groups are driving change; all society benefits!

## Perception and Culture (16 votes)

### Clarifying the Issue

1. Public's awareness of quality and intrinsic value
2. Industry's ability to direct focus cost to long-term benefits (greenhouse gas, carbon, energy, LCA, etc.)

### Potential Actions and Benefits

1. Support new players (encourage their innovation and challenge the status quo) - supports the development of new norms, knowledge, expertise, and businesses.
2. Break habits (old specifications, suppliers, old way) - Supports new business opportunities
3. Share - Builds curiosity and expertise
4. Brag - Newly adopted norms

## Higher Costs and Other Barriers (14 votes)

### Clarifying the Issue

1. Upfront cost versus life-cycle costs (requires culture change):
  - a. Picnic table example
  - b. TDA versus gravel: road cracking
  - c. Variables unknown
2. What goes into total costs: material, transportation, etc.:
  - a. Retooling costs: education, training, manufacturing, re-do specification documents
  - b. Ways to mitigate increased costs: transportation of materials in empty trucks

- c. Cost of separating material: what can we do to address costs?
3. Costs to get to market:
  - a. New opportunities: research and development costs, pilot programs, marketing, and awareness

### Potential Actions

1. Research into lifecycle costs
2. Vendor support to get costs down
3. Create working groups to look at costs: input from industry, purchasers, facilities
4. Funding opportunities for research and development
5. Trade show participation with government to targeted areas (supported networking)

### Potential Benefits

- Integrated new material / economic activity, while successfully diverting material
- Greater comfort in specifying material in sourcing
- If costs decrease (leading to increased awareness); supply will be more
- Establish viable enterprises / businesses
- Regional solutions - costs would be lower, and then it would be easier

## Next Steps

This report will be distributed to participants of the Sustainable Procurement Summit and made available on Divert NS' website. The steering committee for the summit will meet in October 2018 to finalize possible action items.

## Appendix A: Sustainable Procurement Summit Agenda

Timing	Activity
9:00 - 9:30	<b>Registration</b>
9:30 - 9:35	<b>Welcome and Opening Remarks</b>
9:35 - 9:50	<b>Participant Introductions</b>
9:50 - 10:20	<b>Sustainable Procurement 101</b> by Lynda Rankin
10:20 – 10.30	<b>Break</b>
10:30 - 11:30	<p><b>Panel Discussion: Case Studies of Recycled Products in Construction</b></p> <p>Featuring short (5- to 7-minute) presentations from three buyers of recycled construction and renovation products, plus a representative from the NSCC, followed by question and answer period. Facilitator will have prepared list of questions ready, should participants not have questions of their own. For example:</p> <ol style="list-style-type: none"> <li>1. What were the key challenges and barriers you faced?</li> <li>2. How did you overcome them?</li> <li>3. What benefits did you gain?</li> </ol>
11:30 - 12:15	<p><b>Round Table Discussions</b> (tables of 6-8 people) -</p> <ol style="list-style-type: none"> <li>1. (45 minutes) Participants generate two lists at their tables:               <ol style="list-style-type: none"> <li>a. What are the three biggest opportunities (drivers, benefits) for your organization to integrate recycled products into your supply chain?</li> <li>b. What are the three biggest challenges or barriers?</li> </ol> </li> <li>2. (15 minutes) Groups quickly share their number one opportunity and challenge from their “top three” lists with the whole group, and then post their lists on a public wall.</li> </ol>
12:15 - 1:15	<p><b>Lunch Break with Exhibition</b></p> <p>A full hour, to allow time for participants to engage in the exhibition, review the various “top three” lists, reflect on the morning’s discussions, and identify what they might like to explore further in the afternoon. The facilitator will cross out redundant items on the “top three” lists, and combine items that, while distinct, should really be discussed together.</p>
1:15 – 1:30	<p><b>“Dotmocracy” Activity</b></p> <ol style="list-style-type: none"> <li>1. (5 minutes) The facilitator will introduce the activity, provide instructions, and answer questions.</li> <li>2. (15 minutes) Each participant will be assigned three-five dots, which they will use to vote for those opportunities and challenges they think are the most worthy of further discussion. For example, a participant could place two dots next to one opportunity and three to a specific challenge, or one dot to each of five issues.</li> <li>3. (5 minutes) Once all participants have voted, the facilitator will tally the assigned dots, and present the ranked list to the whole group, identifying the top three opportunities and top three challenges.</li> </ol>
1:30 – 2:00	<b>Table Discussions About Top Three Opportunities and Challenges</b>

	<p>Six tables addressing top-voted challenges and opportunities - participants pick the table / topic of their choice. (30 minutes)</p> <p>The discussion questions for each table will be:</p> <ol style="list-style-type: none"> <li>1. What is the specific nature, scope, and scale of the opportunity/challenge?</li> <li>2. What specific actions might you take to explore and validate this opportunity? (or) What specific steps might you take to overcome this challenge?</li> <li>3. What benefits might you gain if you were successful?</li> </ol>
2:00 – 2:25	<p><b>Small Group Feedback Session</b></p> <p>Participants at each table volunteer to host a discussion about their table’s issue. Visiting participants from other tables provide feedback and answer outstanding questions.</p>
2:25 – 2:50	<p><b>Report Back</b></p> <p>Each table will present the highlights from their discussions (4-6 tables, 4-6 minutes per table)</p>
2:50 – 3:00	<p><b>Wrap Up and Closing Remarks</b></p>