SHORT SUMMARY

Organisation: Rabobank, <u>www.rabobank.com</u> **Contact person:** Tanja Teeuwen (Senior Purchasing Consultant), <u>LinkedIn</u> **Product & sector:** furniture (Office furnishing) and Construction | **Country:** global

Circular economy office furnishing in Rabobank's Zilver Building



Go for what's achievable and not for the impossible.

Rabobank is stimulating the circular economy actively towards its customers. With an office furnishing pilot, the bank is also taking the initial steps in its internal operations.

Project description

Rabobank has seized the renovation of the Zilver building in Utrecht (part of the head office)

to start a circular procurement process for the furnishings. Three parties were requested to tender two proposals: one based on the standard Programme of Requirements and one based on the design principles of the circular economy (CE). Rabobank also asked about the vision on CE, production process, reuse experiences and options to give existing furniture a new lease of life. The goal was to find a CE partner for a pilot. For the furniture, this partner was found in Gispen.

Approach

Rabobank already deployed sustainable terms and conditions of purchase and the FIRA platform conditions. After signing the Green Deal on Circular Procurement, a start was made to anchor circularity in internal operations. The procurement department examines per project which project groups or clusters are promising for circular calls for tender. For the design of the three floors of the Zilver building, the procurement strategy focused on price and technology (maintenance, service, quality, product specifications) with circular award criteria. Suppliers needed to indicate why something

was circular, how they will handle reuse, the presence of toxic substances, etc.





FACTS & FIGURES

- Number of FTE: 50,000 globally, internal and external (Annual Report 2015)
- > **Volume contract:** € 100,000
- > Contract form: purchase and buy back

Results

The original ambition was to also implement the rebuilding activities and use of materials in the most circular way possible. However, there were many practical objections regarding registering and securing long-term agreements, maintenance and practical implementation. Another problem is that the bank is reticent to start long-term partnerships. Out of fear of dependence on the supplier (vendor lock-in), contracts of an average four years are agreed.

"Procurement was able to convince the organisation with a good business case."

Tanja Teeuwen, Senior Purchasing Consultant Rabobank Nederland

The renovation resulted in a circular solution for several aspects of the furniture. A purchase contract was signed with Gispen with agreements on service life, residual value, use and accountability and reuse. The contract also contained agreements about reuse of existing furniture. Maintenance was not included in the contract. This was a financial decision. Other financing models, such as hire or *pay per use* were considered, but these proved to be unfavourable in the long term. Both a guaranteed residual value after fifteen years as

well as an intended residual value were agreed. The intended residual value can be paid to Rabobank via an allocation key (a previously agreed manner of distribution).

A new renovation project in Eindhoven has now started, in which the bank also has circular ambitions.

Lessons learned

- Ensure that there is a support base at the top of the organisation.
- Ensure that there is a clear circular economy vision.
- Involve stakeholders at an early stage.
- Go for what's achievable and not for the impossible. This can sometimes mean that the difference is quite small.
- You can start with a few small projects and then expand on these to a good showcase so that the theme becomes embedded in the organisation.
- It is difficult to measure which solutions are now the most circular.

About REBus and the Green Deal on Circular Procurement

The Green Deal on Circular Procurement (GDCP) is an initiative of MVO Nederland (CSR Netherlands), NEVI, Central government, Duurzame Leverancier, PIANOo, Kirkman Company and Circle Economy. Various pilots originating from GDCP are partly financed by the European REBus project, implemented in the Netherlands by Rijkswaterstaat (Directorate-General for Public Works and Water Management). They are working together to support businesses and government organisations in their circular procurement ambitions.

Contact information

- > E-mail: Circulair@rws.nl
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Partners: Gispen

Relevant links & documents: Report My Circular Economy Journal – From waste to value – Rabobank

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