SHORT SUMMARY

Organisation: Pon's Automobielhandel BV (PAH) | Pon Equipment and Pon Power BV (PEPP), <u>www.pon.com</u> Contact persons: Martijn ten Kroode (Manager Procurement PAH), <u>LinkedIn</u> | Mark Lamers (interim Manager Procurement PEPP), <u>LinkedIn</u> Product & sector: IT hardware and waste management Country: global, GDCI focuses on the Netherlands



Pon circular pilot projects



The residual waste was reduced by 25%.

Pon - one of the Netherland's biggest family companies - is an international trade and servicing organisation with a wide range of activities. The company imports products from A-list manufacturers – including Volkswagen, Caterpillar, MAN, Gazelle and Continental – and offers associated services, including maintenance, repair, lease, hire and insurance.

Project description

Pon is working towards circularity in two pilots for IT hardware and waste management. The circular waste management pilot

is being implemented in cooperation with waste manager Milgro. The objective was to use waste management as a solution to reduce

and reuse

waste. A circular IT hardware process has also started.

The procurement team is comprised partly of external specialists, who work in close collaboration with Pon colleagues. In the procurement processes the team focuses not only on price, but particularly on TCO (total cost of ownership), network, quality and innovations. Circular procurement is regularly on the Procurement Board agenda. This Board meets monthly and represents all those from the divisions with responsibility for procurement.

Approach

The starting points for the waste management pilot with Milgro were:

- reduction of residual waste by 30%;
- cost savings of 20% in year 1;
- Pon being offered total support;
- the right commitment from preferred suppliers;
- reciprocity should be transparent and manageable;
- basis for innovation;
- emphasis on operations, cost management, insight and professionalism;

• management of waste market by Pon Procurement.



FACTS & FIGURES

- > Number of Pon employees: almost 13,000, spread over 250 offices in 23 countries
- > **Procurement volume:** € 340 million

Results

After three years of cooperation the following has been achieved:

 reduction of residual waste by 26% (this was below the 30% objective because not yet all locations were able to participate.

With waste management, Pon realised costs savings of 34%.

The objective was exceeded in the participating locations.);

- cost savings of 34% in year 1;
- € 1.2 million in gross waste value;
- Pon received total support;
- various stakeholders participated successfully;
- preferred suppliers were used correctly;
- reciprocity was transparent and manageable;
- basis for innovation has been laid.

Process agreements were

made for IT hardware, in which all data and PON features were certified as being removed from laptops, desktops, servers and network equipment at the end of the economic service life.

This equipment was then refurbished, after which certified companies offered it for reuse to companies, schools and private individuals in the Netherlands. Because of the high economic residual value, the equipment can still be used for a long period. At the end of its technical service life, this equipment can be offered for recycling at the designated delivery points in the Netherlands.

Lessons learned

- Leaders or ambassadors at Board level are important as sponsor for the Green Deal on Circular Procurement.
- It is advisable to use expertise in the market for specific processes.
- More understanding and insight about the Green Deal on Circular Procurement is needed within the Pon procurement team.

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

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Relevant links & documents: <u>Milgro & Pon at CSR theme day (Dutch)</u> Partners: Milgro (waste management) | DELL and OSN (hardware return management)

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