

# Sustainable Public Procurement – Technical Support

## GUIDANCE NOTE

Could your organisation benefit from expert advice and support?

### 1. Background

The WRAP Cymru Sustainable Resource Management Programme has been developed to contribute towards delivery of a Circular Economy in Wales which includes the delivery of targets as set out in the Welsh Government policy document 'Toward Zero Waste' and the asks of the Well Being of Future Generations Act (2015).

The Sustainable Procurement Support Programme will provide bespoke support to public sector organisations to secure commitments to embed sustainable public procurement strategies, standards and targets, and to drive demand for recycled, re-usable and refurbished products thus promoting a more circular economy. The project aims to review organisations procurement related documentation (e.g. ITT's, contracts, tender specifications) and make recommendations for improved resource efficiency in line with the Welsh Government Procurement Policy. It will also help organisations to align the WBFGA and TZW strategies.

The project will target key categories/materials as identified in the internal Public Sector Feasibility Review (other areas will be considered on a case by case basis).

- Food & Drink
- Textiles
- Electrical Products
- Furniture
- Construction

The project is intended to enhance sustainable procurement activities within the Public Sector across Wales through the provision of 1:2:1 technical consultancy support to drive forward circular economy approaches through sustainable procurement.

Organisations intending to apply for support must be a Public Sector organisations operating in Wales and who have the desire to procure in a more sustainable way that will help promote circular economy practices.

Projects will be assessed according to;

- Use of re-use/re-manufactured products/new business models
- Demonstration of circular economy principles
- Tonnages of waste diverted from landfill and reduction in CO<sub>2</sub> emissions

- Alignment with the WBFGA (2015) and Toward Zero Waste Strategy (TZW)
- Applicant's track record and ability to deliver the project

## 2. How does the scheme/support work?

The application process will be rolled out using a 4 stage process:

**Stage 1-** Initial enquiry

**Stage 2-** Engagement visit

**Stage 3-** Outline Proposal Form

**Stage 4-** Approval

Public Sector organisations are asked to take part in an initial enquiry with one of the WRAP Cymru contracted consultants to scope out any opportunities. At this stage if the contractor or WRAP Cymru deems the organisation to be out of scope or ineligible the enquiry will be closed.

If deemed eligible the organisation will proceed to (stage 2) "Engagement Visit" and will meet with the contractor who will view its requirements in more detail. The Contractor shall work with the organisation to develop an outline proposal using the OPF form provided by WRAP Cymru. Once completed the proposal shall be submitted to WRAP for consideration (Stage 4).

The WRAP Programme team shall undertake an assessment of the OPF against set evaluation criteria and will make a final recommendation to either: Award, Decline, or Seek further information.

## 3. How much support is available?

The project is 100% funded by the Welsh Government. Each individual project awarded support will not exceed a maximum of £10,000 including VAT. However, WRAP Cymru may decide to increase this value on a project by project basis up to a maximum of £20,000 including VAT. We are looking to support up to a maximum of 12 projects/organisations with the funding support available up until March 2018.

The support provided constitutes state aid, and as *de minimis* aid the Company is only allowed to receive approximately £142,000 (€200,000) of this aid over a three year fiscal period. The limit applies to aid received in the UK by the company or, if it is part of a group, to the parent company. If the company is a parent to subsidiary companies, then they must include the *de minimis* aid received by their subsidiaries in the UK in this declaration.

## 4. What is required in return?

### Monitoring of project outcomes and outputs

**Important:**

Organisations receiving support will be required to provide information on CO2 savings, landfill diversions, jobs, social and environmental benefits, cost benefits and how they link with current policies. There will also be a requirement to supply information to develop case studies and a project evaluation report. The organisation should ensure that appropriate record keeping procedures are put in place to ensure that this data is readily available.

## 5. Requirements

Completed outline proposal forms need to be submitted to WRAP Cymru electronically or by post through the contractor.

Organisations receiving support will also need to demonstrate that they are actively operating Health and Safety, Environmental, and Equal opportunities policies and procedures, and that they are compliant with all current legislation.

Organisations receiving support will need to commit a small amount of time for meetings, conference calls to discuss their procurement activities and the individual procurement(s) identified as part of the study and to implement the recommendations being made as part of the work.

Supported organisations will be required to provide details to WRAP Cymru on the value of procurement influenced, as well as additional benefits and savings achieved as a result of the support. The information will be used in case studies, reports and showcased at future events to encourage other organisations to follow similar exercises.

## 6. Timescales

Notification of a decision will be made within one full calendar month of the Outline Proposal Form being submitted to WRAP.

## 7. De minimis State Aid

Funding under this programme falls under the remit of de minimis State Aid. (EU Commission Regulation 1407/2013). This may allow an enterprise to receive up to €200,000 (cash grant equivalent) over a 3-year fiscal period. The sterling equivalent is calculated using the Commission exchange rate applicable on the written date of offer of the de minimis funding.

To establish whether a business is eligible to receive de minimis aid they must declare the full amount of de minimis aid which the single undertaking has already been granted during the previous two fiscal years and the current fiscal year. Potentially any assistance they may have received from a public body might be a de minimis aid. This could be from central, regional, devolved governments or agencies or a local council. The limit applies to aid received by their company in the UK or if they are part of a group to their parent company. If this is the case it may be more practical for them to get this form completed by their parent company. If their own company is a parent to subsidiary companies, then they must include the de minimis aid received by their subsidiaries in the UK in this declaration.

The new regulation (Commission Regulation 1407/2013) can be found in full at [http://ec.europa.eu/competition/state\\_aid/legislation/de\\_minimis\\_regulation\\_en.pdf](http://ec.europa.eu/competition/state_aid/legislation/de_minimis_regulation_en.pdf)

The following is not a comprehensive list of all possible forms of aid. However, it should give you an indication of common forms of aid:

- State Grants
- Interest rate relief
- Tax relief
- Tax credits
- State guarantees or holdings
- Tax exemptions
- State guarantees whether direct or indirect, to credit operations
- Reduction of, or exemption from charges or taxes.
- Direct subsidies

## 8. Need more information/guidance?

If you have any questions please call the Sustainable Resource Management (Business & Markets) Team on:

**02920 100 100**

---

[1] "**Single undertaking**" includes, for the purposes of the Regulation, all enterprises having at least one of the following relationships with each other:

- a) one enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
- b) one enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
- c) one enterprise has the right to exercise a dominant influence on another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;
- d) one enterprise which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.