Procurement guide

Organic waste in procurement in the city of Mikkeli

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### Abstract
This guide helps to raise awareness of the importance and acknowledge the demands of handling organic substances and reducing their generation, as well as consideration of sorting and recycling in procurement processes of the city of Mikkeli.

### Keywords
Procurement; sustainability; organic; waste

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1. Introduction

1.1. About the guidelines

This procurement instruction is a general instruction on the handling of organic substances, reduction of generation and consideration of sorting and recycling in the procurement of the City of Mikkeli. In addition to the general instructions, if necessary, more detailed procurement instructions specific to the industry or service entity are drawn up.

1.2. Starting point

Consideration of the circular economy, sustainable development, low carbon and carbon dioxide emissions, as well as reducing and collecting the amount of organic waste play an increasingly central role in public procurement. The requirements for procurement preparers are increasing and becoming more complicated all the time. This general guideline aims to help Mikkeli City Group's experts in various fields who prepare and carry out procurement to take into account the reduction of organic waste generation and the promotion of the sorting and collection of organic waste through procurement activities. The subject area is so broad that it is not appropriate to thoroughly review all aspects in one guide. This guide has been prepared as an introduction to manage the issue and, in addition to the introduction, it provides links to more detailed and in-depth guidelines and information sources for specific areas.

1.3. Background

Green Public Procurement (GPP) is an important tool for promoting environmental policy goals related to climate change, resource use, and sustainable consumption and production.

The most important areas of environmentally friendly public procurement are:

1. Buildings
2. Food and catering services
3. Road traffic motor vehicles
4. Products that use energy

("Green Public Procurement Handbook, European Union, 2016")
1.4. Bio-waste generation and Mikkeli’s procurement

The city of Mikkeli does not purchase a significant amount of food or nutrition services from outside its own organization. The majority of the food services needed by the city are produced in the City of Mikkeli’s food and cleaning services’ own food preparation units. The amount of bio-waste is actively reduced (e.g. through procurement), bio-waste is sorted and properly delivered to the bio-waste collection point and further to Biosairila Oy’s raw material (biogas plant). On a national level, the most significant impact opportunity related to the generation and collection of bio-waste is the now-current new waste law's stricter requirement for sorting and separate collection of bio-waste from households and properties. However, in Mikkeli's case, this requirement does not affect the current situation because the locally imposed obligation has already been in accordance with the requirements of the new law.

2. Reducing and using waste and bio-waste in national policies

2.1. National waste plan

Government decision on the national waste plan until 2023:

The national waste plan has also included the target status of longer-term waste management and reducing the amount and harmfulness of waste until 2030:

1. High-quality waste management is part of a sustainable circular economy.
2. Material-efficient production and consumption save natural resources and curb climate change.
3. The amount of waste has decreased from the current level. Reuse and recycling have reached a new level.
4. The recycling market works well. New jobs are created through reuse and recycling.
5. Valuable raw materials present in small concentrations can also be recovered from recycled materials.
6. Material cycles are harmless and less and less dangerous substances are used in production.
7. There is high-quality research and experimentation in the waste sector, and waste expertise is at a high level.
2.2. **The priorities of the National Waste Plan and the detailed targets set under them**

The priorities of the National Waste Plan and the detailed targets set under them are:

1. **Construction waste**
   a. The amount of construction waste decreases.
   b. The utilization rate of construction and demolition waste as material will be increased to 70%.
   c. The utilization of construction waste will be increased while managing the risks.
   d. The accuracy and correctness of construction and demolition waste statistics will be improved.

2. **Biodegradable waste**
   a. **Food waste will be halved by 2030.**
   b. **60% of all generated municipal waste containing bio-waste is recycled.**
   c. **The use of fertilizer products made from recycled raw materials is increasing and they are replacing fertilizers made from virgin raw materials.**

3. **Municipal waste**
   a. The growth of the amount of municipal waste slows down in relation to the gross domestic product and a relative decoupling is achieved.
   b. 55% of municipal waste is recycled.
   c. The recycling of packaging waste will increase (at least in accordance with the target level of the waste directive currently being processed).

4. **Electrical and electronic waste**
   a. The service life of electrical and electronic equipment increases and the utilization rate increases.
   b. The proportion of electrical and electronic waste in mixed waste decreases and recycling increases.
c. Critical raw materials and valuable materials in electrical and electronic waste can be recovered and recycled more efficiently.

d. Harmful substances in electrical and electronic waste are removed from circulation.

e. Control of the export of used electrical and electronic equipment and scrap equipment exported from one country to another will be enhanced.

In addition, the general measures aiming at the target state set by the plan have 2 key goals in terms of this guideline and its application:

7. Goal: 60% of all generated municipal waste containing bio-waste is recycled

2.3. **Sorting and separate collection of bio-waste**

Separately collected is waste that is collected separately from mixed waste for a specific purpose, which is made possible by sorting at the place of origin. Separately collected waste can consist of more than one waste fraction, such as biowaste. Biodegradable kitchen waste and garden waste collected from properties, canteen and restaurant waste, by-products of the food industry and food waste from shops are classified as separately collected bio-waste.

There is much room for improvement in the sorting of biowaste. As much as 60 percent of bio-waste ends up as mixed waste. It is about a third of the mixed waste - also in properties where separate collection has been arranged. Households do not know the benefits of sorting biowaste and the further use of waste. The generation of waste is not recognized and they do not know how to change their own sorting routines.

In Finland, 10-15 percent of edible food is wasted in the entire food chain. Most food waste occurs in households (35 percent of food waste). Food waste also occurs in catering services, shops and the food industry. Household food waste is equivalent to the annual carbon dioxide emissions of approximately 100,000 average passenger cars. Finland is committed to halving its food waste by 2030.

In 2025, Finland's goal is to recycle 55 percent of municipal waste, and in 2035 already 65 percent. Achieving the goal requires significantly more effective sorting both at home and at workplaces. The recycling rate has been 41 percent in recent years.

The collection of bio-waste from households and companies is wanted to be increased in the reform of the Waste Act. Bio-waste collection is to be initially expanded to properties with more than five apartments in urban areas. After a transition period of a few years, biowaste collection would extend to all properties in urban areas with more than 10,000 inhabitants. Composting on the property is an alternative to separate collection. The sorting requirements for companies are also tightened accordingly.
2.4. Food waste and wastage

The amount of food waste can be reduced through many different activities:
- reducing food waste in restaurant operations and public procurement of restaurant services
- reducing food waste in public food procurement
- reducing food waste in grocery stores
- reducing consumer waste and sorting biowaste (indirectly public procurement as a means)

Whenever possible, public procurement should be used as a tool to reduce the amount of waste.


The changes to the Landfill Directive aim to promote the European Union's transition to a circular economy, for example by minimizing the amount of non-hazardous waste placed in the landfill. The directive promotes the implementation of the waste hierarchy, aims to increase recycling and reuse, and aims to prevent the transition from landflling to waste incineration. Landfill restrictions apply to all waste that is suitable for recycling or other utilization of materials or energy. However, restrictions should not be applied if it can be shown that the waste is not suitable for recycling or other utilization and that placing it in a landfill would lead to the best possible overall result in terms of the environment.


In Mikkeli, however, mixed waste has not been sent to the landfill since 2016, and bio-waste has not been sent to the landfill at all since the 2000s. This practice ended with the establishment of the compost facility.

2.6. Waste law reform (714-718/2021)

All residential properties located in urban areas with at least five apartments entered into force in July 2022 - the law obliges to start sorting bio-waste either by joining a property-specific bio-waste transport or by composting the bio-waste yourself.

Sorting possibilities will improve even more in the near future, when properties with at least five apartments in urban areas will start collecting small metal, as well as glass, cardboard and plastic packaging by July 2023. The collection of metal packaging and small metal can continue.
as before, regarding properties with four or more apartments. At the beginning of 2023, the collection of discarded textiles will expand to the whole country. By July 2024, bio-waste collection will be expanded to every property in agglomerations with more than 10,000 inhabitants, either in the form of bio-waste collection or a composter. In Mikkeli, this requirement is already valid even in the sparsely populated area.

2.7. Responsibility of the municipality

The starting point of the Waste Act is that the municipality's responsibility for organizing is the basic pillar of municipal waste management, which ensures municipal waste management that is harmless to the environment and health and works in all conditions and everywhere. The municipality handles its practical responsibilities mainly through joint municipal waste facilities of several municipalities, municipal business establishments or municipal corporations.

This has also been the goal of the legislation for a long time, because the concentration of waste management in large units has improved the quality of waste management and enabled waste management treatment investments.

It is also important to give room for healthy competition and business development in the waste sector, and to enable waste holders to have a waste management service according to their needs.

(Environmental advisor Anna-Maija Pajukallio 29 November 2016 Finance Committee)

3. How you took into account the treatment and reduction of organics and the sorting and recycling of waste in your procurement

3.1. Procurement of services

When procuring services, attention should be paid to the following points:

- does the production of the service include activities that produce bio-waste?

- if included, can their generation or handling be influenced by setting conditions or evaluable criteria for the production of the service?
- does the service directly or indirectly focus on functions that affect the efficiency of sorting or recycling?
- if applicable, can conditions and criteria in accordance with the city’s sustainability goals be used in procurement?
- even if service procurement is not directly related to e.g. food services and food supply, could reducing the amount of biowaste be taken into account in relation to the service provider’s own activities, either as an absolute requirement or as a criterion to be evaluated?

3.2. Treatment of organic waste in the activities of the supplier/producer as a condition of the contracting entity's eligibility or as a substantive requirement of the invitation to tender

The requirements related to the handling of organic waste can be used with the unconditional eligibility requirements set for the provider and/or the requirements related to the delivery/production of the service. Means can be e.g.

- the requirement for the minimum level regarding the processing or generation of biowaste is defined
  
  o is ensured by insurance or a statement attached to the offer
- a biowaste handling/sorting and recycling plan is required or evaluated
- if plans are required, it must be defined what the plan must at least include
- monitoring during the contract period or the supplier’s own reporting must also be described in the procurement contract

3.3. Organic waste and waste treatment as evaluation criteria

The treatment of organic waste or the amounts generated/reduced can also be scored as part of the overall economic evaluation of the offers:

- the environmental effects of the producer/supplier’s own products/services have been clarified/determined
- the environmental impact assessment is fixed as a comparable quality criterion for the product and its value is verified for the period of the production contract and presented in the product description at the latest at this stage.

- recycled materials used in the packaging manufacturing process and the packaging can be recycled (minimum requirement and/or criterion to be assessed)

- reusability of packaging

- the use of recycled and waste-derived materials as a product's raw material or otherwise in the company's operations

3.4. The generation of organic waste or waste resulting from the production, supply or recovery of a product or service

Reducing the amount of biowaste and waste through procurement can be implemented with, for example, the following means/requirements:

- recycled materials used in the packaging manufacturing process and the packaging can be recycled

- the number/weight of packages is minimized in relation to the number and weight of the product

- individual packages vs. large packages review

- sorting and recycling of biowaste and waste

- carbon dioxide emissions from transport, production or contracting vehicles

3.5. Tendering for waste collection and transport

The city of Mikkeli takes full advantage of the increase in separate collection of biowaste and separation of biowaste made possible by the reform of the Waste Act. The increasing amount of biowaste makes it possible to enhance and increase biogas production and other further uses, as well as to increase local biofertilizer production.

Ensuring operations that become more efficient with the help of procurement requires at least strengthening the monitoring of the following points:

- supervision of the obligation to sort biowaste in households, housing associations and other properties
- hygiene and environmental safety of bio-waste collection containers (e.g. management of the rat problem, monitoring - collection containers in accordance with waste management regulations)
- supervision of the separate collection and delivery of waste

3.6. **Procurement of catering services**

Things to consider when purchasing food services:

- Food preparation, portion sizes and labeling must be done in accordance with the official recommendations for company/school/hospital food services: for example food preparation that preserves nutrients, low salt, low fat, low sugar and standard recipes
- Measures to avoid food and drink waste: two portion sizes, customers' request dishes, takeout and pre-order systems; handing over leftovers as food (e.g. to food banks or other similar operators), special offers for the previous day's food, regular monitoring, efficient storage

In the preparation of documents:

When preparing documents for acquiring food services, the procurement unit can include the following criteria in the request for tenders to reduce food waste. It is possible to select the minimum requirements or benchmarks and use them alone or together (the numerical values of the criteria are suggestions, and the procuring entity can change them according to its own rules, needs and conditions):

Examples of different minimum requirements:

1. 70% of hot meals must be available until the end of the school day.
   *Explanation:* The technical operation of the food service can limit the number of daily dishes and allow fewer options at the end of the mealtime.

2. At least one supplement (out of two or three) must be available until the end of the school day.
   *Explanation:* this requirement can be used together with the previous criterion or separately.

3. Salad ingredients, seeds, nuts and salad dressing are served separately.
   *Explanation:* separate serving allows the use of certain ingredients in meals the next day, if the food service complies with the requirements regarding storage temperature and shelf life.

3. Small last-minute changes can be made less than three days before the food is served, e.g. 5–10% of the ingredients of the day's menu.
Explanation: flexibility helps to reduce food waste and make better use of the food available on the market. For example, if there are plums left over from the previous day, they can be served the next day instead of carrots on the menu. Or the leftover soup from the previous day can be served the next day in addition to other dishes.

4. The food service must sort bio-waste separately in the school dining hall and kitchen. There must be separately marked waste containers for bio-waste in the canteen of students and school staff.

Note: this criterion can be combined with the sorting of other types of waste, such as glass, paper/cardboard, packaging material and mixed waste.

5. Comparison criteria (for scoring offers):

Offers in which the food service provider organizes an awareness-raising activity related to reducing food waste together with the school. The tenderer must describe such activity.

Please note: Information activities can be given lower points than activities that actively involve students, e.g. in measuring the amount of food waste, cooking, and in a food waste reduction competition, where a prize is given; these activities receive a higher score than information.

Offers where the food service provider contracts with a food bank or other charities to donate excess food or offers other options for distributing excess food.

(www.stratkit.eu)

3.7. Food procurement

Food purchases are the most central of Mikkeli’s purchases in terms of the importance, consideration and generation of biowaste. In connection with food purchases, special attention is paid to the following points:

- to reduce biowaste and waste, the most important thing would be prevention à the less waste and biowaste, the better

- secondarily, the aim is to utilize the surplus for own use, by donating or selling it as surplus food to the staff (take note of the provisions of the Food Act, not everything can be used) and after that the surplus is bio-waste

- in order to prevent loss, the implementation of the Hävikkivaaka application has been started this fall. It collects information about the amount of food produced and how much of it has gone to waste. When the same food is served next time, the application provides historical information about previous servings, and based on that, the amount of preparation can be optimized and waste can be prevented. The application also provides reports at the organizational and unit level on the amount of waste in kg and % in total and per customer, as well as the value of the waste. According to the new waste law, operators seem to have an
obligation to produce information on the amount of waste and with this or a similar system. In food service procurement, this could be one mandatory condition or at least a selection criterion.

- by analyzing your own purchases, you can reduce the climate effects of food purchases and prevent loss (optimized package sizes).

- packaging does not play an essential role in food products from the point of view of environmental impact, except for the fact that the right kind of packaging protects the product and thus reduces wastage. For example, the environmental impact of a bag of bread is smaller than that caused by a piece of sole thrown into bio-waste. The industry is also taking measures on its own initiative to reduce the environmental impact of packaging materials.

- in the procurement of food services, the selection criteria could also be that the operator has a responsibility plan (perspectives: economic, ecological, social and cultural) and the reasons why the particular one was chosen. priorities (you can't please everyone, a good choice from one point of view can be a bad choice from another point of view)

4. Summary of guidance

The purpose of this instruction is to open up the opportunities available to the acquirer when the goal is to take into account the optimization of biowaste separation/sorting, separate collection and further utilization in connection with acquisitions. The guide also supports national legislation and goal setting as a basis for streamlining operations. In addition to the goals at the national level, both Mikkeli City Group's procurement rules and the climate program require the utilization of the opportunities described in the guidelines in procurement activities. The instructions are not specific and are not intended to be used as such in all procurements. Contact the procurement services or the procurement specialist of Mikkeli's development company Miksei Oy if you need support in preparing your own procurement in accordance with the principles in the instructions.

5. Sources and additional information

From recycling to the circular economy, National Waste Plan to 2023
https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/160441/SY_01_18_Fi_Kierrat yksesta_kiertotalouteen.pdf?sequence=4&isAllowed=y

Guides to the procurement of catering services:

Guide to responsible food procurement
Ecocentria’s Food Procurement Guide

ebook.pdf

Lähis-guide: more local food for public kitchens' customers


Motiva, Food services: food waste and waste:

https://www.motiva.fi/files/14861/Ruokopalvelut_Ruokahavikki_ja_jatteet_Ohje_ympari
stokriteereista_julkinisessa_hankinnoissa_Versio_2.0.pdf

Guide to responsible food service procurement

https://www.motiva.fi/julkinen_sektori/keittiöt/julkiset_hankinnat/tietopankki/ruokapalvelut

Other sources of information:

Green Procurement - Handbook on environmental integration in public procurement


See also:

- Hankintakeino.fi: Kestävien ja innovatiivisten julkisten hankintojen
osaamiskeskus Avautuu uudessa välilehdessä Tämä linkki ohjaa toiselle
verkkosivustolle
- Europa.eu: Euroopan komission suositukset vihreisiin julkisiin hankintoihin
(englanniksi) Avautuu uudessa välilehdessä Tämä linkki ohjaa toiselle
verkkosivustolle
- Hankinnat.fi: Julkisten hankintojen neuvontayksikkö Avautuu uudessa
välilehdessä Tämä linkki ohjaa toiselle verkkosivustolle
- Motiva.fi: Kestävät julkiset hankinnat Avautuu uudessa välilehdessä Tämä linkki ohjaa
toiselle verkkosivustolle
- Hankintayhdistys.fi: Julkisten hankintojen yhdistys
CityLoops is an EU-funded project focusing on construction and demolition waste (CDW), including soil, and organic waste (OW), where seven European cities are piloting solutions to be more circular.

Høje-Taastrup and Roskilde (Denmark), Mikkeli (Finland), Apeldoorn (the Netherlands), Bodo (Norway), Porto (Portugal) and Seville (Spain) are the seven cities implementing a series of demonstration actions on CDW and OW, and developing and testing over 30 new tools and processes.

Alongside these, a sector-wide circularity assessment and an urban circularity assessment are to be carried out in each of the cities. The former, to optimise the demonstration activities, whereas the latter to enable cities to effectively integrate circularity into planning and decision making. Another two key aspect of CityLoops are stakeholder engagement and circular procurement.

CityLoops runs from October 2019 until September 2023.

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