



MISSION REPORT

OUTLINE (TITLE)	Sectorial Green Public Procurement – initiating procurement of green innovation processes in central and local government & aiding the local industry to plan for shifting to green production for the local market
Mission Purpose (Project Activity #)	First phase of GPP and Circular Economy support focussing on: <ol style="list-style-type: none"> 1. developing internal engagement for developing circular procurement with respective government ministries 2. preliminary meeting with supplier representatives
Number of days worked:	6.5 days including travel (3.5 days of meetings, 1 day preparation and 0.5 days drafting).
Period: From: To:	22-26 July 2017
Organisations visited:	Ministry of Environmental Protection (MoEP) Ministry of Economy (MoE) Ministry of Finance (MoF) The Manufacturers Association of Israel, Tel Aviv (MAI) Shenkar College of Engineering, Design and Art, Tel Aviv (SCEDA)

Meetings/Activities	Date	Participants (name), (title), (institution)
Meeting 1 / Activity 1	23/7/17	Dr Mervyn Jones, Director of Sustainable Global Resources, GPP expert Rotem Shamai, Environmental Policy Department, Head of GPP, MoEP Noa Aharoni, Environmental Policy Department, MoEP Avi Blau, GPP consultant to MoEP
Key Issues Discussed		Introduction meeting. Topics: <ul style="list-style-type: none"> - Expand in detail on strategic and policy links between GPP and CE – understand and agree on the relevant mechanisms. - Mapping the strategic partners in Israel and - Overview of green criteria implementation in Israel, what has been done so far in Israel, successes and challenges
Outputs		Confirming Mission timetable and agenda for meetings over the next 3 days.
Difficulties Encountered or Other Comments		Initial meeting setting out European position on GPP, circular procurement and circular economy in line with the EU CE package. The meeting highlighted the lack of GPP implementation since the 2009 Government Decision on Green Procurement. Initial external view is that internal support is required from the principal procurement body within the Ministry of Finance. Need to build a case for participation. De-risking the participation through appropriate choice of procurement category for the pilot will be one aspect of the project. Avi Blau (consultant –AFECA) provides external procurement support to both



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		MoEP (they are not procurement specialists) and also to the Ministry of Finance (Government Purchasing Authority)
Meeting 2 / Activity 1	23/7/17	Galit Cohen, Senior Deputy Director General of Planning and Policy Department, MoEP Dr Mervyn Jones Rotem Shamai Noa Aharoni
Key Issues Discussed		Topics for meeting: - Policy implications (benefits) of GPP and circular economy
Outputs		
Difficulties Encountered or Other Comments		Meeting was postponed – symptomatic on need for internal buy-in to both project and GPP in general. Project is driven by Head of GPP in MoEP but aside from approval to undertake the work there is a no real buy-in yet to the benefits of GPP and CE more widely. The split between environmental protection and economic benefits means that multiple Ministries not only need to be engaged but they also need to proactively participate.
Meeting 3 / Activity 1	23/7/17	Dr David Asaf, Director of Environment in the Industry, Ministry of Economy and Industry Oz Katz, Head of Environment & Sustainable Development Administration, Ministry of Economy and Industry Dr Mervyn Jones Rotem Shamai Noa Aharoni
Key Issues Discussed		Topics for meeting: - GPP and CE instruments - voluntary agreements (e.g. Green Deal, sectoral approaches) - financial instruments (incentivisation and disincentives) - Resource efficient Business Models (REBMs)
Outputs		PowerPoint presentation by Mervyn Jones
Difficulties Encountered or Other Comments		Positive meeting that focusses on economic benefits of circular economy and the role of GPP in delivering these. In principal support for a Green Deal type approach as long as the benefits can be easily measured.
Meeting 4 / Activity 1	24/7/17	Alon Kinast, Senior Head of Contract Management, The Governmental Procurement Administration, MoF Dr Mervyn Jones Rotem Shamai Noa Aharoni Avi Blau
Key Issues Discussed		Meeting with The Ministry of Finance Topics: - GPP and CE instruments



Meetings/Activities	Date	Participants (name), (title), (institution)
		<ul style="list-style-type: none"> - financial instruments (incentivisation and disincentives) - financing the circular economy - Resource efficient Business Models (REBMs) - case study examples
Outputs		PowerPoint presentation by Mervyn Jones
Difficulties Encountered or Other Comments		<p>Presentation highlighted the need to demonstrate an economic case for support from the Ministry of Finance. They committed to supporting GPP but emphasized it needed to make economic sense.</p> <p>Also prepared to make unilateral decision to switch business models from ownership to leasing if there was a strong enough case. This seems an approach as European REBMs allow for flexibility in adopting business models – the MoF want either one or the other (this is probably a political decision).</p> <p>Agreed to focus on furniture category in line with initial thinking and prioritization from the MoEP and the SWIM H2020 project work.</p>
Meeting 5 / Activity 1	24/7/17	Planning and preparations of strategic plan for H2020 project and next missions
Key Issues Discussed		<p>Prioritising categories to target for GPP pilot</p> <p>Internal and external stakeholders and approach to engagement</p> <p>Green Deal – voluntary approach for GPP</p> <p>MoF focus on leasing models versus ownership</p> <p>Project Timetable and Phase II</p>
Outputs		Prioritisation approach (see Annex 1)
Difficulties Encountered or Other Comments		<p>Understanding that the delivery of a pilot as SWIM H2020 would not result in a tender as the furniture category agreed is not due for re-tendering until 2021. However this was coupled with understanding that simply delivering a single GPP would not be sufficient to change internal views on GPP let alone external markets. Hence a discussion on developing a circular procurement Green Deal approach and looking to influence the early pre-tendering stages of the furniture category in order to engage with the market and determine what could be possible in 4 years time (e.g. fully circular furniture).</p> <p>Priorisation approach also confirmed that having a back-up category would be prudent. Textiles comes out clearly (as does construction but MoEP discounted this as construction is already considered reasonably green – external assessment is that there is still significant room for improvement but would be a step too far at this stage as high spend and high risk category).</p>



Meetings/Activities	Date	Participants (name), (title), (institution)
Meeting 6 / Activity 1	25/7/17	Maya Hershkovitz, Director of Fashion & Textile Industries Association, MAI Osnat Avital, Environment Coordinator, MAI May-Tal Perry, Director of Made-in-Israel products, MAI Dr Mervyn Jones Rotem Shamai Noa Aharoni
Key Issues Discussed	Meeting with The Manufacturers Association of Israel, Tel Aviv Topics: <ul style="list-style-type: none"> - General (short) presentation on Circular economy benefits for business and on REBMs (using lots of case study examples) - Introduction to Green Deal approach 	
Outputs	PowerPoint presentation by Mervyn Jones	
Difficulties Encountered or Other Comments	Meeting highlighted the difficulties in dealing with the market if not properly prepared. MAI are very wary of Government and needed convincing that the initial approach was seeking collaboration rather than conflict. Business case will need to be developed and well rehearsed but they were supportive in principal of market engagement in both furniture and textiles as long as they could see the benefits of CE for Israeli businesses. Did highlight that furniture had been used before unsuccessfully as a category for GPP engagement.	
Meeting 7 / Activity 1	25/7/17	Gil Shaki, Senior Director, Energy, Cleantech, Infrastructure & Transportation, Israel Innovation Authority Dr Mervyn Jones Rotem Shamai Noa Aharoni
Key Issues Discussed	Meeting with academy: Rozen Institute for Environmental Thinking Shenkar College of Engineering, Design and Art, Tel Aviv	
Outputs	PowerPoint presentation by Mervyn Jones	
Difficulties Encountered or Other Comments	CleanTech & Innovation programme has a NIS450 million annual budget so potentially a very useful mechanism for GPP if a link can be established. Highlighted the potential for collaboration between MoEP and Innovation Programme. Need to identify clear links with the GPP innovation and the programme participation but this was felt possible by both sides. Suggested a more open approach rather than category-led approach. Option discussed would be for open competition on REBMs. Opinion is this could be a part of a category-led approach which would give a more structured framework for identifying and addressing specific economics and risks on both sides (purchaser and market).	



Meetings/Activities	Date	Participants (name), (title), (institution)
Meeting 8 / Activity 1	25/7/17	David Spectre, Director of the Rozen Institute for Environmental Thinking Shenkar College of Engineering, Design and Art Dr Mervyn Jones Rotem Shamai Noa Aharoni
Key Issues Discussed	Meeting with academy: Rozen Institute for Environmental Thinking Shenkar College of Engineering, Design and Art, Tel Aviv Topics - Waste prevention Design out waste Design in recyclability Closing product and material loops through better design	
Outputs	PowerPoint presentation by Mervyn Jones	
Difficulties Encountered or Other Comments	Useful meeting that highlighted the need to engage designers in circular procurement and market engagement. This will be useful in second phase as it will enable manufacturers and NAI to see possibilities.	
Meeting 8 / Activity 1	26/7/17	Dr Mervyn Jones Rotem Shamai
Key Issues Discussed	De-brief and next steps planning	
Outputs	Project timetable for Phase II (to be agreed with MoEP before circulation)	
Difficulties Encountered or Other Comments	General views, concluding remarks from Phase 1 mission. Consensus that this had been positive and that there was MoEP commitment for a more ambitious sectoral approach through SWIM H2020 support.	

Name	Date	Signature
Mervyn Jones	3 August 2017	



ANNEX 1 Prioritisation Approach – Summary

Following the Mission (included within the preparation and drafting time), a prioritization exercise has been conducted by Dr M Jones based on the UK DEFRA Prioritisation Approach. This enables the approach to market to be determined using data supplied by the Israeli Ministry of Environmental Protection. A full explanation will be given in the Project report but the DEFRA guidance note¹ explains the 3 key output diagrams given below.

Figure 1 Categories by spend & risk

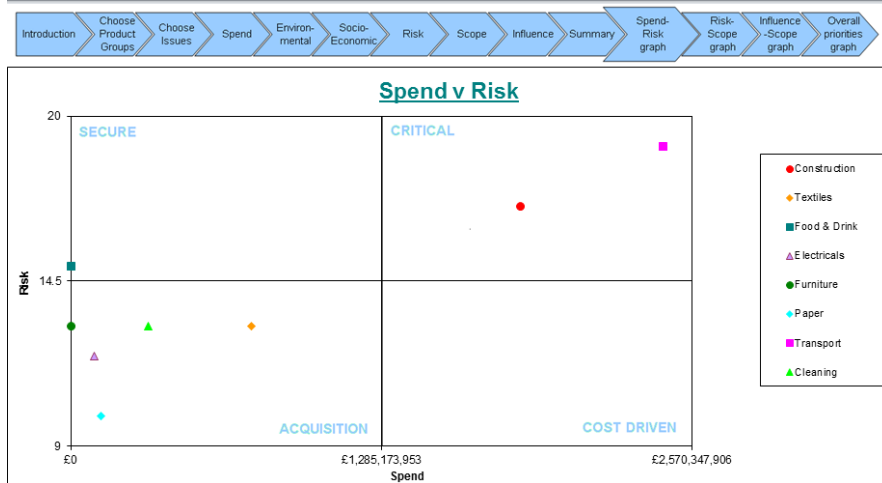


Figure 2 Categories by risk & scope

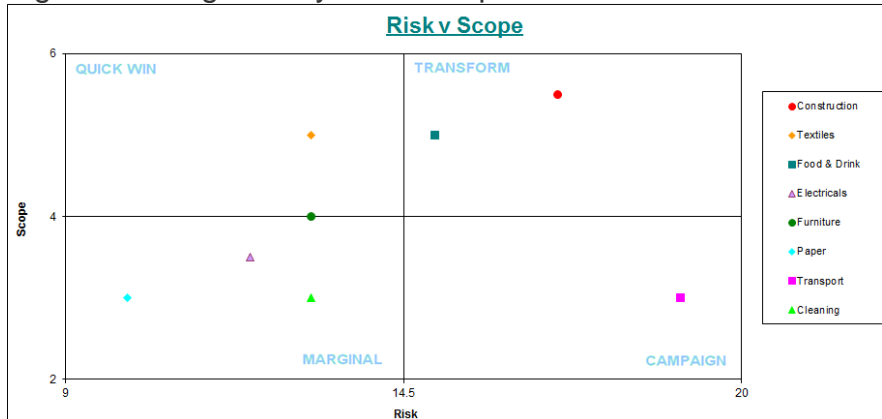
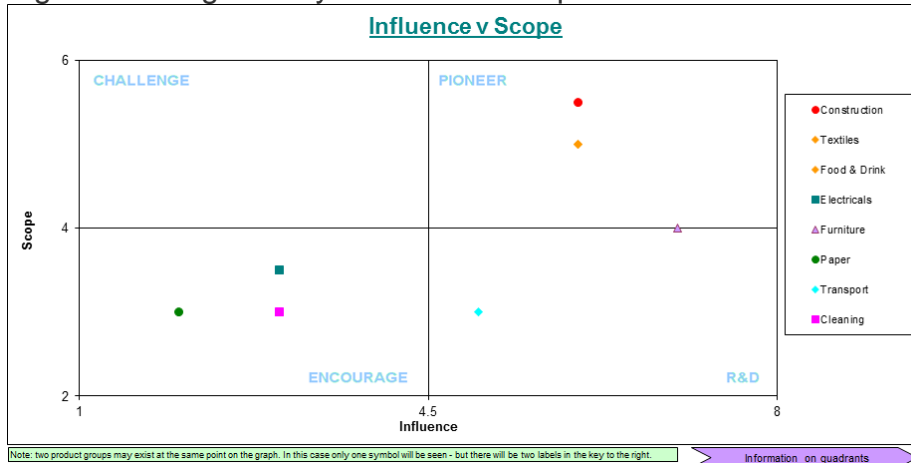


Figure 3 Categories by influence & scope



¹ Sustainable Procurement Prioritisation Tool User Guide, 2012 DEFRA, UK <https://tinyurl.com/y7uct6ay>