



Sustainable vending machines with healthy products

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Introduction

bpost is Belgium's national postal service. Their headquarters are located in Brussels, they run post offices and sorting centres across the country and operate internationally. bpost wants to be a leader in ESG, as it is part of their DNA. A new corporate sustainability roadmap was launched in January 2022 to achieve these ambitions. bpost aims to reach net zero emissions by 2040, reaching a 55% reduction by 2030. They also want to reduce scope 3 emissions by 14% by 2030. Specifically for circularity, the focus is on packaging and logistics, exploring opportunities such as reusable packaging and reverse logistics.

This Interreg NSR ProCirc pilot is part of bpost's Sustainable Procurement Programme and targets sustainable vending machines with healthy products. In 2021, the contracts for water fountains and vending machines for warm drinks, cold drinks and snacks were up for renewal. These represent over 500 machines, spread over all bpost sites in Belgium. Therefore, the potential impact is quite

large. Furthermore, it was an opportunity for bpost to test a full circular procurement approach.

Procurement process

As per usual for bpost, multiple suppliers were contacted in the preparation of the tender. During this market consultation they were asked about innovations in relation to sustainability and circularity, regarding energy use of machines, reusable packaging, and reverse logistics in the event of opting for glass bottles. Furthermore, information was requested about the social and health impact of the products that would be offered in the machines.

The tender was launched in a negotiated procedure with prior call for competition. External consultancy was offered through Interreg NSR ProCirc to assist in developing a methodology for this procurement. Emphasis was put on the energy use for the vending machines, as this makes up most of the environmental impact and will also allow to calculate the CO₂-emissions. A minimum



requirement of an A+ Energy label was set, and the energy consumption was part of the award criteria. Repair of the machines was also added to the criteria. Furthermore, the criteria were set for the packaging of the product range and incorporating organic food and drink alternatives. The latter two were allowed to be taken up in a growth trajectory during the contract execution together with one sustainability project to be chosen from a list bpost offered with the tender.

For this pilot, decisions were made in close collaboration between the internal client, buyer, and the Centre of Excellence. This meant a change in approach for the internal client and procurer, as circularity is not top of their list. Other relevant internal stakeholders were informed about the projects and the potential benefits. They were given the chance to express their requirements and aspirations. This includes the Corporate Sustainability Team, Health and Prevention, Internal Communication, Talent Acquisition & Employer branding, and Service Operations. The pilot was presented during an international Procura+ network Interest group meeting, allowing feedback and input from external practitioners to be gained. Other Belgian organisations that recently procured vending machines were contacted.

To make the results and impact of the circular procurement tangible, three parameters will be monitored. First, the energy use of the vending machines which can, in turn, indicate CO₂-emissions. Second, the packaging materials of the products, based on the sales of the different products. Third, the progress of the sustainability project that was chosen by the supplier.

Results

- Circular minimum requirements and awarding criteria were added to the tender. It was the first time bpost had taken energy consumption into account for similar procurement projects.
- A new supplier was appointed in January 2022. They installed refurbished machines with A+ energy labels, containing more sustainable products and cups. They will work with bpost on a sustainability project during the contract term.
- The circular procurement methodology applied to the Interreg NSR ProCirc pilot is now integrated in bpost's 'Strategic Sourcing Methodology', which is mandatory for tenders worth over 1 million euros.
- The waste and CO₂-emissions reduction will be measured during the execution of the contract, comparing data to a 'linear' baseline.

Lessons learned

- The vending machine supply sector is rather small and has tight margins, especially so during and after Covid times. This makes negotiating circularity harder. The geographical scope of the tender is quite large, and contains different user groups, making it harder for smaller or local suppliers to compete. Twelve suppliers were addressed during the market consultation and only 7 expressed interest. The market is not ready to respond to the circular requirements that were set in the tender. This contract will be a learning curve for the supplier as well.
- Technical expertise is key. Some aspects of the tender evaluation can be very specific, such as energy standards in this case. It might not be realistic to have this expertise in house.
- bpost recommends reaching out to an external network - to share best practices and expertise - as well as taking time for a circular procurement. It is important to already consider circularity in the pre-procurement phase.
- Co-creation is a core activity; raising awareness and aligning with the internal client is key. This is particularly so in terms of aspects integrated as a contract clause because this will become the role of the internal client. Alignment and collaboration within the procurement community influences results positively by gathering new insights and points of view of colleagues.