

Market consultation on the processing of The Hague household waste



Date	30 september 2022
Contracting Authority	Municipality of The Hague
Client	Department of City Management

1. Introduction

1.1 Background

The municipality has an ongoing contract for the transport and processing of residual waste from households in The Hague. This contract expires in 2024 with two annual renewal options until the end of 2026. The Municipality of The Hague has far-reaching circular ambitions and wishes to give substance to these by means of the new processing contract, in addition to further source separation. At the same time, the municipality realises that the technologies in waste processing that will enable the achievement of the national VANG targets (VANG stands for Van Afval Naar Grondstof (From waste to resource)) are currently not available. We are conducting the present market consultation in order to give direction to circular innovation in residual waste processing and to properly contractualise it for the coming years.

During the term of the current contract, much has changed in the world of household waste. The world of waste is undergoing considerable changes. A transition to a circular economy is being pursued both nationally and internationally. Attention has sharply shifted towards the separation of waste streams with a view to their re-use as raw materials for new products. Considerable investments have been made in separation at source, in people's homes. In addition, the market has invested heavily in post-separation and post-processing techniques to further improve re-use and recycling. At the same time, the transition to a circular economy is still in its infancy.

This is essentially an economy where waste no longer exists. It is replaced by high-quality forms of re-use and recycling. Incineration and landfill are then the most low-grade alternatives.

1.2 Objective

Despite all efforts, we expect residual waste to make up a significant proportion of waste by 2026. In the new contract, we are explicitly looking at innovative technologies and possible market partnerships so that as many raw materials as possible can be reused.

In the new contract, the municipality wants to reduce the amount of waste to be incinerated as much as possible.

In addition, the municipality wants to have more influence on the raw materials chain in order to gain more insight into what is happening there, to achieve better coordination between the various components, to reduce the total amount of waste and to process raw materials in the highest possible quality.

Source: The Hague's Raw Materials Plan

With this market consultation, the Municipality of The Hague aims to gain an early insight into the feasibility, possibilities and opportunities for circular processing solutions, more re-use and high-quality recycling, thus contributing to the necessary raw materials transition.

In 2021, the municipality further explored the market with regard to this development and identified a number of scenarios that should lead to the municipality of The Hague working towards reducing the amount of residual waste to be incinerated and maximising the re-use of raw materials. More specifically, this includes the desired form of cooperation and contract structure to enable far-reaching innovations during the term of the contract.

Related questions and topics that the municipality has questions about are the (more sustainable forms of) transshipment and transport of household residual waste in The Hague.

The municipality would also like to gain insight into visions, suggestions and ideas of market parties as well as the most suitable strategy to come to a solid tender invitation that contributes to the objective that the municipality has in mind.

If your company does not offer the possibility of processing a large quantity of residual waste per year, but:

- you do have an interesting new development or technology (or idea) for processing certain waste streams from residual waste;
- and would you like to develop this new technology or ideas further in cooperation with a party that can process large quantities of residual waste?

Then we urge you to respond to this consultation as well.

Follow-up steps will be determined based on the results of the market consultation.

1.3 The market consultation process

In the week of 3 october 2022, the municipality will publish the invitation to participate in the market consultation on TenderNed, including the consultation questions.

All parties can participate in the market consultation via TenderNed by downloading the document and the questions.

If you have any questions about the market consultation, you can ask them via the question and answer module of TenderNed. The questions will be answered in writing by the municipality and published anonymously on TenderNed on 21 october 2022, by means of an information note.

Market consultation

Interested parties should upload the answers to the market consultation in TenderNed via the message module, no later than Tuesday 1 november 2022.

If the municipality wishes to discuss the answers to the market consultation in more detail with a party, it will invite them to a meeting. Meetings can take place up to and including week 47.

A brief report will be published of the main conclusions of the market consultation. This report will be fed back (anonymously) to the participants in the market consultation through publication on TenderNed.

In the event of a follow-up to this market consultation (e.g. via tendering), the document will be made available as an informative appendix if required.

Publication market consultatition op TenderNed	3 oktober 2022
Sluïting stellen van vragen t.b.v. Nota van Inlichtingen	19 oktober 2022
Publication Note of Information	21 oktober 2022
Uploading answers on the market consultation	1 november 2022
Conversations n.a.v. answering market consultatie	Week 47 21 t/m 25 november
Feed back results market consultatie to participation participants	Medio december 2022

2. Conditions of the market consultation

The following conditions apply to this market consultation.

2.1 Approval of the market consultation document

Participants in this market consultation agree with the provisions of this market consultation document.

2.2 Validity of participation

The market consultation is intended for parties with ideas on the more circular and high or higher-quality processing and possibly transshipment of household waste from The Hague. The municipality reserves the right to exclude from participation in the market consultation any interested party who clearly does not belong to this target group, or to disregard their responses and not include them in the report.

2.3 Equality of information

All participants will receive the same information, i.e. the present market consultation document. The municipality does not intend to provide additional or different information during the market consultation. If essential information is provided during the market consultation, it will be put in writing as quickly as possible and made available to all interested parties via TenderNed.

2.4 Absence of rights

The market consultation is not part of a tender procedure. The market consultation does not in any way constitute an agreement or a legal bond between the Municipality of The Hague and the participating parties. The municipality is free to terminate the market consultation at any time for any reason it sees fit.

The market consultation document contains only preliminary data, therefore no rights can be derived from it.

2.5 Confidentiality

In view of the nature and scope of the market consultation and, by extension, the possible follow-up steps, the information provided by all parties during the market consultation is, in principle, public, in the sense that:

- The Municipality of The Hague is entitled to include this information, of which reports are prepared, in the official and administrative discussions held to determine possible next steps;
- This information may be used for feedback to the participants in the form of a general, anonymous report of the response(s), whereby the report will be made public as an informative document for possible follow-up steps, unless the candidate has explicitly indicated that their information may not be made public in any way.

2.6 Feedback

After the market consultation has ended, all parties that participated in this market consultation will receive written feedback in the form of a report in which the answer(s) to the consultation questions provided by the interested parties are presented anonymously. This feedback does not affect the non-binding nature of the market consultation; it is up to the Municipality of The Hague to decide what to do with the responses/information. It is not obliged to justify why it does or does not include certain responses/information in the follow-up steps at any time.

2.7 Language

The market consultation will be available in both Dutch and English.

2.8 Costs

Any costs related to participating in the market consultation will not be reimbursed.

2.9 Reservation

The Municipality of The Hague is in no way bound by the results of the market consultation or obliged to invite tenders for the work to which the market consultation relates.

3. Question for the market

As stated in The Hague's Raw Materials Plan, in the future, The Hague will continue to focus on a combination of source and post-separation in order to recycle as many valuable and usable materials as possible.

Waste can be separated in two ways: by source separation (at home, in the neighbourhood, at the collection facility) and by post-separation (with a large installation that removes materials after collection). In The Hague, we make different choices for the different waste streams. The best results in terms of separation, as well as awareness among residents, are leading. In this consideration, we look at the quality and value of the raw material, the extent to which the separated raw material can be reused, transport movements, regulations and the costs. Source separation also contributes to awareness. The outcome may differ depending on the material flow. Certain raw material flows – such as paper, glass and textiles – are so well established that we continue to separate them at the source. Contamination of these materials, for instance by fats, make them less suitable for recycling. And there are materials that are easier to post-separate, such as PMC (Plastic, Metal Packaging (cans) and Drink Cartons). The Hague continues to opt for a combination of source and post-separation of PMC. Source: The Hague's Raw Materials Plan

Currently, approximately 153,000 tonnes of fine household waste are produced annually in the Municipality of The Hague. The Hague wishes not only to make use of the current state of technology but also to reduce the proportion of waste to be incinerated to the extent possible through innovations, even during the contract period. The municipality envisions a promising future scenario in which not only optimal use is made of the current opportunities, but where the focus is on further increasing sustainability during the term of the contract by making use of new opportunities.

The approach is therefore to use a tender procedure to select a party that is willing to innovate and, during the contract period, to look together with the municipality for new opportunities to extract more material flows from residual waste and process them in a circular manner. What such cooperation could/must look like, what incentives and frameworks this requires and what roles the parties fulfil in it are subjects 'of this market consultation'.

The municipality prefers a contract with a basic component in which the processing of the waste is guaranteed, and, in addition, a development component. Based on this development contract, both parties will, on the basis of predefined frameworks, jointly look for potentially interesting innovations and business cases based on the ambition to make the original solution more sustainable or replace it with a more sustainable alternative. This can, for example, be achieved by forming a joint innovation project group in which both parties participate and play an active role. The municipality is also considering an analogy with innovation by collaborating with a construction team.

To enable innovation, we are considering a basic term of a number of years to be specified, with options to extend up to a total of approximately 8-12 years for the implementation of innovations and their (partial) recovery. The duration of the basic contract term and extension options are also part of this market consultation.

A number of other categories may also be suitable for the same innovations. For instance, for bulky household waste (37,000 tonnes), organic waste (8,000 tonnes) and street cleaning residues (4,400 tonnes). We would like to hear through this consultation whether there is added value in including these categories in a future processing contract for fine household waste.

3.1 Consultation questions

A. Scope

The focus in the processing we are seeking is the processing of fine household waste.

- To what extent is it interesting for you to have transshipment and transport together with processing included in a single contract package in order to realise higher sustainability ambitions?
- To what extent is it interesting for you to have the categories street cleaning residues, bulky household refuse (coarse waste) and/or organic waste in the processing of the fine household waste?

B. Innovation

We can imagine that a distinction may be made between innovations in the processing of residual household waste (other techniques than incineration and/or post-separation, see B1) and innovations in sorted or post-separated sub-streams from residual waste (e.g. wet paper or wet textiles, see B2):

B1. Innovative developments in household residual waste

- What innovation possibilities do you foresee in the (near) future for a more high-quality and/or alternative processing of the household residual waste?
- Do you see any potential innovation within the current post-separation technology that would allow us to keep more residual waste streams for material re-use/recycling? To what extent and in what timeline?
- In your opinion, are there any other or new techniques that would allow us to extract raw materials from the collected household residual waste for re-use or recycling? If so, which ones and by when?

B2. Innovative developments in sub-streams

- What opportunities for the re-use of materials do you anticipate for the coming ten years in terms of post-separation and re-use of sub-streams from residual waste? Which sub-streams would this relate to? By when?
- Do you think this is feasible within ten years; if not, by when?
- For some of the raw material flows to be separated, there is not yet a 'mature market'. What do you suggest?

C. Realisation of innovation development

- What innovations do you think are necessary to achieve a 50% reduction in the amount of residual waste to be incinerated?
- Which of the opportunities specified under B1 and/or B2 is interesting for your organisation to focus on, or are you already focusing on, and why?
- What is needed to actually take practical advantage of these opportunities?
- Within what timescale do you expect this innovation to become commercially viable?
- What possibilities and risks do you see in, on the one hand, ensuring continuity in waste processing and, on the other hand, switching to/introducing more sustainable methods/technologies during the term of the contract?

D. Organisation of the cooperation

With regard to the cooperation, the municipality prefers a contract with a basic component in which the processing of the waste is guaranteed, and, in addition, a development component or contract. On the basis of this development contract the parties will, based on predefined frameworks, look together for potentially interesting innovations and business cases based on the ambition to make the original solution more sustainable in the long term or to replace it with a more sustainable alternative. This can, for example, be achieved by forming a joint innovation project group in which both parties participate and play an active role. The municipality is also considering an analogy with innovation by collaborating with a construction team.

- How could cooperation and innovation best take shape (e.g. organisational forms, assessment framework for selection, commonality of costs in the innovation process, etc)?
- How do you envisage the division of roles and responsibilities within such a cooperation between the municipality and the contractor in, on the one hand, the research and, on the other hand, in the actual implementation of innovations? What role do you think you should play and what role should the municipality play?
- Regarding chain management, do you have any ideas about:
 - What would be the best way to ensure transparency regarding the actual re-use of sub-streams?
 - How do you envisage the ownership of the raw material flows? Who is responsible for the sale and on what basis does the sale take place? (price, circularity, etc) What about the cost/revenues thereof?
 - If this is possible, it would be attractive for the city of The Hague to have raw material flows processed locally in a circular manner. Do you have any ideas about this?
- What (additional) points of attention do you see for entering into such a cooperation contract?

E. Tender and contract design

- Which tender procedure do you consider the most appropriate to achieve the desired cooperation contract?
- What mechanisms to promote innovation and sustainability should be included in the contract?
- What do you consider to be the most suitable term and extension option for a contract in which regular waste processing is guaranteed from day one, while during the term of the processing contract innovative solutions are worked on by means of an innovation contract, with the aim of reducing the amount of residual waste to be incinerated by 50%?

F. General

Is there anything else you would like to add?

Appendix 1/Response form

Market consultation on the processing and transport of household waste in The Hague.

Name (according to the trade register)	...
Place of business	...
Contact person	...
Office address	...
Postal address	...
Telephone number	...
E-mail address	...
Registration number Chamber of Commerce	...

A. Scope
The focus in the processing we are seeking is the processing of fine household waste.
To what extent is it interesting for you to have transshipment and transport together with processing included in a single contract package in order to realise higher sustainability ambitions?
To what extent is it interesting for you to have the categories street cleaning residues, bulky household refuse (coarse waste) and/or organic waste in the processing of the fine household waste?

B. Innovation
We can imagine that a distinction may be made between innovations in the processing of residual household waste (other techniques than incineration and/or post-separation, see B1) and innovations in sorted or post-separated sub-streams from residual waste (e.g. wet paper or wet textiles, see B2):
<i>B1. Innovative developments in household residual waste</i>
What innovation possibilities do you foresee in the (near) future for a more high-quality and/or alternative processing of the household residual waste?
Do you see any potential innovation within the current post-separation technology that would allow us to keep more residual waste streams for material re-use/recycling? To what extent and in what timeline?

In your opinion, are there any other or new techniques that would allow us to extract raw materials from the collected household residual waste for re-use or recycling? If so, which ones and by when?
B2. Innovative developments in sub-streams
What opportunities for the re-use of materials do you anticipate for the coming ten years in terms of post-separation and re-use of sub-streams from residual waste? Which sub-streams would this relate to? By when?
Do you think this is feasible within ten years; if not, by when?
For some of the raw material flows to be separated, there is not yet a 'mature market'. What do you suggest?

C. Realisation of innovation development
What innovations do you think are necessary to achieve a 50% reduction in the amount of residual waste to be incinerated?
Which of the opportunities specified under B1 and/or B2 is interesting for your organisation to focus on, or are you already focusing on, and why?
What is needed to actually take practical advantage of these opportunities?
Within what timescale do you expect this innovation to become commercially viable?

• What possibilities and risks do you see in, on the one hand, ensuring continuity in waste processing and, on the other hand, switching to/introducing more sustainable methods/technologies during the term of the contract?

D. Organisation of the cooperation
Met betrekking tot de samenwerking denkt de gemeente zelf aan bijvoorbeeld een contract met een basiscomponent waarin de afvalverwerking is geborgd, en daarnaast een ontwikkelcomponent of -contract. Op basis van dat ontwikkelcontract gaan beide partijen op basis van vooraf vastgelegde kaders samen op zoek naar potentieel interessante innovaties en business cases vanuit de ambitie om de oorspronkelijke oplossing op termijn te verduurzamen of te vervangen door een duurzamer alternatief. Hiervoor kan dan bijvoorbeeld een gezamenlijke projectgroep rond innovaties worden gevormd waarin beide partijen zitting nemen en een actieve rol hebben. De gemeente denkt bijvoorbeeld ook aan een analogie met innoveren middels een bouwteamsamenwerking.
• How could cooperation and innovation best take shape (e.g. organisational forms, assessment framework for selection, commonality of costs in the innovation process, etc)?
• How do you envisage the division of roles and responsibilities within such a cooperation between the municipality and the contractor in, on the one hand, the research and, on the other hand, in the actual implementation of innovations? What role do you think you should play and what role should the municipality play?
• Regarding chain management, do you have any ideas about: ○ What would be the best way to ensure transparency regarding the actual re-use of sub-streams? ○ How do you envisage the ownership of the raw material flows? Who is responsible for the sale and on what basis does the sale take place? (price, circularity, etc) What about the cost/revenues thereof? ○ If this is possible, it would be attractive for the city of The Hague to have raw material flows processed locally in a circular manner. Do you have any ideas about this?
• What (additional) points of attention do you see for entering into such a cooperation contract?

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E. Tender and contract design

- Which tender procedure do you consider the most appropriate to achieve the desired cooperation contract?

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- What mechanisms to promote innovation and sustainability should be included in the contract?

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- What do you consider to be the most suitable term and extension option for a contract in which regular waste processing is guaranteed from day one, while during the term of the processing contract innovative solutions are worked on by means of an innovation contract, with the aim of reducing the amount of residual waste to be incinerated by 50%?

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F. General

Is there anything else you would like to add?

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Filled in on	
Organisation	
Signature	
Name of signatory	