Recycled First Policy

March 2020



1 Overview

The Victorian Government is committed to moving Victoria to a circular economy and released the State's Circular Economy Policy called <u>Recycling Victoria</u> in February 2020. A key intent of Recycling Victoria is to optimise the use of recycled and reused Victorian materials in transport infrastructure projects through the Recycled First Policy.

From 1 March 2020, all tenderers on Victorian major transport infrastructure projects are required to demonstrate within their tender, how they will optimise the use of recycled and reused materials at the levels allowed under current standards and specifications. Tenderers may also identify opportunities to trial new innovative products or opportunities to drive improvements to recycled and reused material quantities within current standards and specifications. Successful tenderers must report against their Recycled First Commitments periodically during delivery. This will help ensure consideration is given to recycled and reused materials over virgin materials and divert useful materials from landfill. The Recycled First Policy will also enable continuous improvements to transport standards and specifications, research and development and create greener more sustainable transport infrastructure outcomes.

2 Background

As a large buyer of goods and services the Victorian Government can help create strong markets for recycled materials. Through the Recycled First Policy, the government is seeking new opportunities to purchase products containing Victorian recycled materials and use recycled materials to build roads, railways and other public infrastructure.

Victorian Government infrastructure projects already use recycled materials, but quantities have not been effectively reported on and there has not been a requirement to optimise their / its use. The intent of the Policy is to optimise the use of recycled and reused materials within major transport projects, build a better understanding of the types, volumes and location of recycled and reused material use and support innovation.

Recycled First is mandatory and will apply to contractors supplying into projects that fall within the scope of the Policy.

This Policy includes the Recycled First Guidance Notes and the Recycled First Procurement Implementation Guide which contains procedures and guidelines for agencies, project teams and contractors to follow in complying with the Policy.

3 Scope

The Recycled First Policy and associated implementation guidelines applies to all major transport infrastructure projects (undertaken by delivery agencies) and in time, Department of Transport (DoT) transport infrastructure projects and operational and maintenance (O & M) activities. It also has the potential to be applied to other State Government department and agency projects and operational and maintenance activities. The first application of the Policy relates directly to major transport infrastructure projects. The Government will review this with a view to including social and other infrastructure sectors in the future.

Projects and O & M activities at tender or in contract prior to 1 March 2020

These projects are not bound by the Recycled First Policy. DoT and its delivery agencies will continue to work with project, operations and maintenance teams and contractors to encourage the use of recycled and reused materials on transport infrastructure projects and to improve the reporting of the products and quantity of recycled and reused materials used within existing contract parameters.

Projects tendered from 1 March 2020

The Recycled First Policy and associated implementation guidelines will apply to all major road and rail transport infrastructure projects put to tender by delivery agencies from 1 March 2020. Contract documentation will be amended to reflect Policy requirements. Compliance will be the responsibility of the procuring agency and project contractors. The delivery agencies will have oversight, monitoring, reporting and compliance responsibilities including auditing of contractor Recycled First plans and data collected.

Projects tendered from 1 January 2022

The Recycled First Policy and associated implementation guidelines will apply to DoT road and rail transport infrastructure and O & M projects including major projects, alliances and operational contracts, that align with the Local Jobs First Policy and Social Procurement Framework (SPF) thresholds. Contract documentation will be amended to reflect Policy requirements, scaled to reflect contract size and contract opportunities. Compliance will be the responsibility of DoT, O & M and project contractors. The DoT will have oversight, monitoring, reporting and compliance responsibilities.

4 Recycled First Policy Objectives

The intent of this Recycled First Policy is to:

- Optimise the use of recycled and reused materials on Victorian transport infrastructure projects
- Drive the supply, demand, technical development and application of reused and recycled products
- Encourage innovation in transport infrastructure construction to improve quality and accelerate the implementation of new Victorian recycled products
- Provide data on recycled and reused materials to help inform a better understanding of the supply chain, market development issues and opportunities and future recycling infrastructure need
- Help achieve sustainable outcomes for transport projects
- Support the initiatives of the Recycling Victoria Policy

5 Recycled First Policy

This Recycled First Policy will ensure that, where appropriate, recycled and reused materials are used instead of virgin materials to drive greater use of these materials, encourage innovation and develop new markets. This will require projects to show they have considered the use of recycled or reused materials during the procurement phase, in design and during construction. Incentivising greater use of these materials will also improve the Government's information base to better identify supply and demand in the market.

This Recycled First Policy supports the Recycled Victoria Policy and the Victorian Government's intent to optimise the use of recycled and reused materials in transport infrastructure projects.

This Recycled First Policy requirements will be included in all new major transport infrastructure project tender documents as part of the technical solution delivery methodology.

This Recycled First Policy requires that for these projects:

- tenderers must demonstrate how they will optimise the use of recycled materials
- contractors must report on the types and volumes of recycled products they have used as per their contract requirements.

This Policy will apply to the use of recycled materials in applications that are already approved in current DoT and rail operator standards and specifications. Currently allowed materials include reclaimed asphalt pavement, crushed glass, crushed concrete, fly ash, slag, crushed brick, crumb rubber and steel.

Tenderers may also identify opportunities for innovative uses of recycled materials, including trials of new and emerging materials. The material volumes that are proposed by successful tenderers in their Recycled First Plan in the tender phase will be incorporated as contractual requirements, with associated reporting requirements to be included in the contract.

Where a tenderer believes that no, or limited, opportunities for the use of recycled and reused Victorian materials exist in relation to a project, the tenderer will be required to provide an explanation of the limiting factors, for example, price, availability, suitability, or durability concerns.

Project teams will continue to work with contractors throughout the life of the contract to further optimise the use of recycled and reused materials, where appropriate.

5.1 Recycled First Policy Projects

This Recycled First Policy applies to Victorian Government major transport infrastructure projects procured from 1 March 2020. The Government will evaluate Recycled First and consider if it is appropriate to expand this approach to other Government procurement activity.

Local governments will be encouraged and supported to adopt a similar approach to the Victorian Government.

5.2 Recycled First Policy Relationships

This Recycled First Policy has touchpoints with the Local Jobs First Policy and with one of the three environmental objectives of the SPF. Guidance on the functional application of these relationships can be found in the Recycled First Agency and Reference Guidelines (Attachment 1). It is important to note that the three environmental objectives in the SPF are not mandated, therefore reliance on the SPF to drive the required outcomes is very limited.

6 Responsibilities

6.1 Roles and Responsibilities

Responsible Minister

The Minister for Transport Infrastructure is responsible for this Recycled First Policy, associated guidance documents and model contract clauses. Current priorities have required the Minister of Transport Infrastructure to delegate this responsibility to the Minister of Roads and Public Transport.

Department of Transport (DoT)

DoT is responsible for developing the Policy, standards, specifications, model clauses and establishing structures to support its delivery across delivery agencies.

Delivery agencies

Delivery agencies, mainly Major Transport Infrastructure Authority (MTIA) and Suburban Rail Loop Authority (SRLA) are responsible for developing the model clauses and related guidelines and for applying the requirements of this Policy and related guidelines to all Recycled First projects.

7 Tender Weightings and Targets

This Recycled First Policy makes provision for weightings to be considered on a project-by-project basis.

This is to ensure that appropriate supply chain development is considered in the planning and delivery of the project. The weighting will need to be reflective of the State's focus on this Policy and intended outcomes. Information on tender weightings and targets can be found in the Recycled First Agency Guidelines (Attachment 1).

8 Recycled First Plan Requirements

All tenders, proposals or other submissions for a Recycled First project, will be required to produce a Recycled First Plan as part of a complying tender and report on these recycled and reused material commitments in delivery.

The Recycled First Plan will set out the tenderer's strategy and approach to optimise the use of recycled and reused materials. The plan must contain sufficient information to demonstrate how the tenderer will optimise the use of a range of recycled and reused materials in the delivery of the Project at levels allowed under current standards and specifications.

9 Recycled First Guidelines

The responsible Minister will issue guidelines which must be followed by agencies and suppliers in the application of this Recycled First Policy. The guidelines are publicly available for both agencies and suppliers to follow.

10 Monitoring, Reporting and Compliance

Delivery agencies must monitor and report on the implementation of this Recycled First Policy requirements and commitments and ensure contractors are complying with this Policy, associated guidelines, their Recycled First Plan and any further requirements in project contracts.

Delivery agencies are responsible for ensuring that contracted commitments are being regularly monitored, are on track and being achieved, and take corrective action as required.

Delivery agencies and DoT will undertake periodic monitoring and reporting on progress at initiation, during delivery or commissioning, and at the completion of Recycled First projects.

Agencies and contractors must retain documentation relating to Recycled First projects to demonstrate outcomes and compliance with this Policy and related commitments. This documentation will be provided to DoT.

The Recycled First Agency Guidelines provide specific instructions related to the Recycled First monitoring, compliance and reporting requirements.

11 Contact Us

For further information or assistance on this Recycled First Policy and processes please contact Ecologiq:

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