



Australian Government
Department of Defence

Sustainable Procurement in a large Infrastructure Program – A Purchaser’s Perspective on PVC

PVC AUS 2018: Shaping the Future

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Defending Australia and its National Interests
www.defence.gov.au



- Responsible for environmental stewardship
- Responsible for ensuring value for money
- Responsible for ensuring equal market opportunity

Defence Context



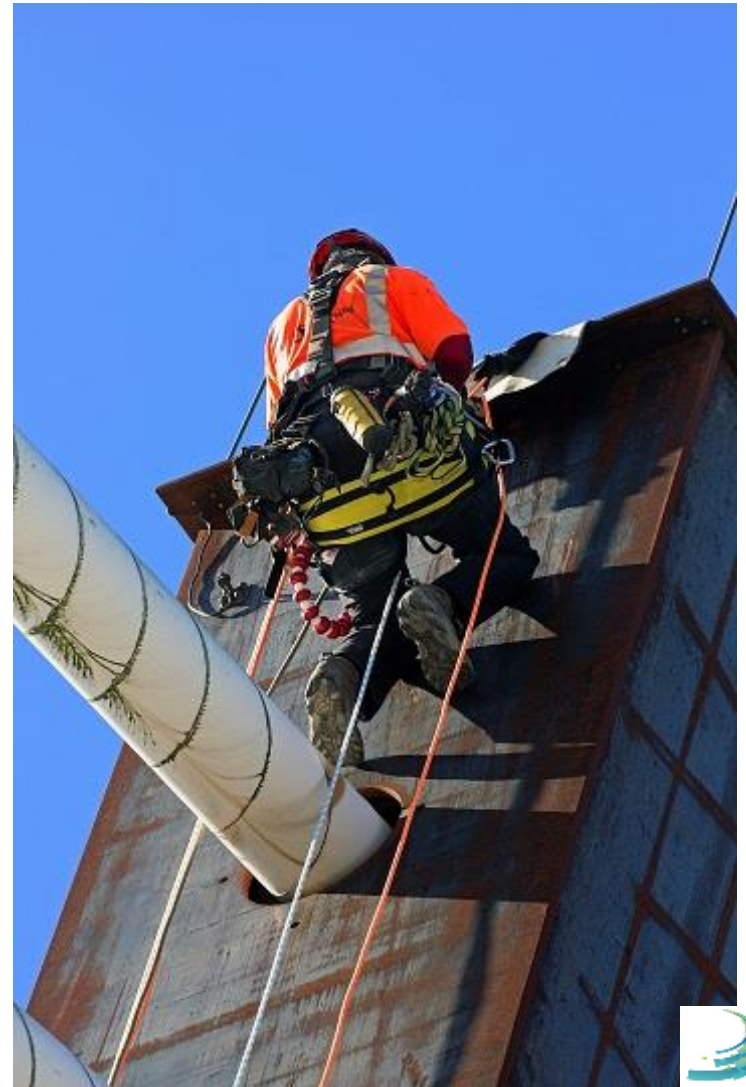
- Commenced January 2014
- Aim: to minimise whole of life environmental impact of PVC use in Defence Built Environment
- Requirements:
 - Use BEP PVC in flooring for new buildings, fit outs and flooring replacements
 - All PVC to be recycled
 - No PVC to be burnt



- Smart Infrastructure Manual (Smart IM) commenced May 2015 and applied from 1st July 2015
 - Smart IM for large projects
 - Considered at 5%, 30%, 50% and 90% design stages for all projects
 - Smart IM for small projects (e.g. renewal works)
 - Step 1: consider relevance to project, provide reason if not
 - Step 2: if relevant, apply



- 19 large projects reviewed at different design stages
- About 52% of large projects are addressing the PVC component of Smart IM well (providing specific BEP PVC Specifications)
- 32% are somewhat addressing PVC (say PVC Policy requirements must be met, but no details on how)





- 20 projects reviewed
- About 80% of small projects had addressing Smart IM, and hence BEP PVC requirements

or

had recognised the need to include it in the project design which was still underway

- Smart IM and PVC Policy are under review in 2018
- Administrative burden vs benefits
- Product availability and cost (next slides)



Market availability of Best Practice PVC

User		Comments on market	Defence Implications
PVC Pipes and Conduits	100%	<ul style="list-style-type: none">Majority of manufacturers meet Best Practice Guidelines	<ul style="list-style-type: none">Including BEP pipes and conduits in a revised Defence PVC policy will show support for BEP PVC and is unlikely to have additional ramifications
Carpet	100%	<ul style="list-style-type: none">Majority of manufacturers meet Best Practice Guidelines	<ul style="list-style-type: none">Already considered in current PVC policy
Vinyl Wall Coverings	100%	<ul style="list-style-type: none">Majority of manufacturers meet Best Practice Guidelines	<ul style="list-style-type: none">Including BEP wall coverings in a revised Defence PVC policy will show support for BEP PVC and is unlikely to have additional ramifications

User		Comments on market	Defence Implications
PVC Wire and Cables	50%	<ul style="list-style-type: none"> • There are roughly a dozen large manufacturers, around half of whom supply BEP certified products • Product cost impacted by raw materials including copper price 	<ul style="list-style-type: none"> • Potential to influence market uptake of BEP PVC • There are sufficient suppliers to avoid a monopoly situation • Marketing/labelling standards could be improved to aid implementation
Wall Construction Systems (permanent formwork)	Historically 67% Could become 90% By mid 2018	<ul style="list-style-type: none"> • This product segment is growing very rapidly with a number of manufacturers planning capacity expansions • When it is used in a project, a substantial quantity of PVC is usually consumed 	<ul style="list-style-type: none"> • Potential to influence market uptake of BEP PVC • Limited number of manufacturers identified as supplying product in Australia

- Market forces need to be considered - supply and demand of BEP PVC products
- There is a clear trend towards BEP PVC in all market sectors
- Defence policy for BEP PVC will be strengthening
- The mechanisms for ensuring environmental outcomes (including BEP PVC) in Defence projects will continue to be improved and strengthened
- You can help with awareness in the supply chain



Thanks very much for having me

Any questions?