



# Public Procurement Package and innovation related initiatives

OASC

2 May 2019

*Jaroslav Kračún*

*European Commission, Directorate General for Internal  
Market, Industry, Entrepreneurship and SMEs (DG GROW)  
Unit G4 Innovative and electronic procurement*



[facebook.com/EU.Growth](https://facebook.com/EU.Growth)  
[facebook.com/MrSmeForEurope](https://facebook.com/MrSmeForEurope)



[@EU\\_Growth](https://twitter.com/EU_Growth)



[youtube.com/c/EUGrowth](https://youtube.com/c/EUGrowth)

Follow us on:

Web sites:

[ec.europa.eu/growth](https://ec.europa.eu/growth)

[ec.europa.eu/bienkowska](https://ec.europa.eu/bienkowska)

*Internal market,  
Industry,  
Entrepreneurship  
and SMEs*

# Public Procurement Package

## adopted 3 October 2017

- 1) a **Communication on Public Procurement** - Commission's strategy for improving PP
- 2) a **Communication on a voluntary ex-ante mechanism** for large infrastructure projects (SMS)
- 3) a **Recommendation on professionalisation** of public procurement to Member States
- 4) a draft **guidance document on innovation procurement** – launch of targeted consultation

# 1/ Communication:

## 'Making public procurement work in and for Europe'

- **PP is 14% GDP: a strategic area**
- **A partnership to improve the PP in practice**
- **The Commission is ready to play its part**
  
- **6 Priority areas :**
  - 1. Boost **strategic** procurement (green, social, innovative)
  - 2. **Professionalise** public buyers
  - 3. Increase **access** to procurement markets (SMEs, IPI)
  - 4. Improve **transparency**, integrity, data
  - 5. Boost the **digital** transformation of PP
  - 6. **Cooperate** to procure together

## 2/ Voluntary ex ante assessment mechanism for large infrastructure projects

- A **helpdesk** > 250 million €
- A **VOLUNTARY** ex ante **notification mechanism** > 500 million €
- an **information exchange mechanism**



## 3/ Recommendation on professionalisation of procurement

- GOAL:  
To facilitate **uptake of professionalisation** policies in MS  
→ for the **overall improvement** of competences
- 3 Pillars:
1. Defining long term professionalisation **strategies**
  2. Getting the right **people** with the right set of **skills**
  3. Provide **tools and support** for strategic thinking

## 4/ Targeted consultation on draft Guidance on Innovation Procurement

### **Benefits** of innovation procurement

Improving public service ↔ opportunities for innovative suppliers

### **Guidance on:**

- **Importance** of innovation procurement
- How to develop **policy** for innovation procurement
- How to attract **innovators**
- How to attract **innovation**
- How to use innovation friendly **tools** from Directive

[http://ec.europa.eu/growth/content/targeted-consultation-draft-guidance-public-procurement-innovation\\_en](http://ec.europa.eu/growth/content/targeted-consultation-draft-guidance-public-procurement-innovation_en)

# Guidance on Innovation Procurement

**Adopted on 15/5/2018**

**As part of : [A renewed Agenda for Research and Innovation- Europe's chance to shape its future](#)**

## **Links to the Guidance:**

[http://ec.europa.eu/growth/content/commission-advises-public-buyers-how-capitalise-innovation\\_en](http://ec.europa.eu/growth/content/commission-advises-public-buyers-how-capitalise-innovation_en)

<https://ec.europa.eu/docsroom/documents/29261>

# Importance of innovation procurement

- Improving public service at reasonable cost
- Addressing an arising need
- Modernising public service
- Helping Start-Ups launch and grow
- Moving markets
- Innovation procurement is procuring:
  - **Process of innovation (R&D)**
  - **Results of innovation (existing on market)**



# Innovation part of the policy

- Political mandate
- Setting level of ambition
  - **Action plan**
  - **Targets**
- Building capacity
  - **Competence centres**
  - **Training people**
  - **Cooperative procurement**
  - **Additional funding**

# Attracting innovators

- Opening doors to innovators
  - **Reducing administrative burden (e-Proc solutions)**
  - **Adjusting selection criteria**
  - **Standards, open data, open interfaces, open source**
  - **Using lots**
  - **SME-friendly payment schemes**
- Mobilising Innovation Brokers

# Attracting innovation

- Taking existing innovation from the market  
*Any procedure, open procedure being the most used*
  - **Needs assessment**
  - **Preliminary Market Consultation**
  - **Technical specifications - function/performance**
  - **Variants**
  - **Award criteria – MEAT**
  - **Intellectual Property Rights**
  - **Prototyping**
  - **Contract performance**

# Attracting innovation

- Adjusting ready-to-use innovation
  - **Competitive procedure with negotiation**
  - **Competitive dialogue**
  - **Design contests**

# Attracting innovation

- Triggering innovation via R&D
  - **Procuring R&D services by any procedure**
    - IPR with procurer
  - **Pre-commercial procurement – exemption**
    - procuring R&D services (can include limited volume of supplies below 50% contract value)
    - IPR with suppliers
  - **Innovation Partnership**
    - R&D + delivery commercial volumes
    - presumption of absence of State aid only holds for unique/specialised products)

# Innovation Brokers

(not in Public Procurement Package)

- **FUNCTION:** *creating links* for the facilitation of public procurement of innovation
- **Motivation:** PPI has been *possible but has not picked up*, despite the economic potential
- **Objective:** showcase an *example of facilitation* of PPI through an innovation broker
- **Deadline:** call for proposals open till *5 January 2018*
- **Budget:** 600.000 EUR (1 pilot project – 1 consortium)

<https://ec.europa.eu/easme/en/cos-linkpp-2017-2-02-innovation-procurement-broker-creating-links-facilitation-public-procurement>

## Past pilot projects

Project name	Description	Start / end	CEC grant	Partners (procurers)	Partner MS	Suppliers
ECOQUIP	Delivering Efficiency, Quality, and Sustainability in Healthcare	Apr 2012 – Nov 2016	tbc	1 coordinator, 11 partners	HU, IT, NL, UK, PL & EU	5
FIRED-UP	Improved environmental performance of frontline firefighting vehicles with new ideas and new technologies	Jun 2012 – Aug 2015	€139k	1 coordinator, 1 partner	BE, UK	tbc
HAPPI	Linking European health public procurers to work together in order to detect and purchase innovative and sustainable solutions which will improve ageing well	Oct 2012 – Aug 2016	€2m	1 coordinator, 7 partners	AT, BE, FR, GE, IT, LU, UK	3
INNOBOOSTER	Inno booster in Lighting and Furniture	Jun 2012 – Dec 2016	tbc	1 coordinator, 4 partners	AT, FI	tbc
INNOBUILD	Public Procurement Innovations and Sustainable Building Systems, for sustainable high tech building projects for senior citizens, supporting the needs of senior citizens and the municipalities' obligation to deliver certain services	Jun 2012 – Jun 2015	tbc	1 coordinator, 7 partners	NO, SE	tbc
PAPIRUS	Public Administration Procurement Innovation to Reach Ultimate Sustainability	Oct 2013 – Oct 2016	tbc	1 coordinator, 5 partners	GE, IT, NO, PL, ES	tbc
PRO-LITE	Procurement of Lighting Innovation and Technology in Europe	Nov 2012 – Aug 2016	tbc	1 coordinator, 5 partners	GE, IT, NL, ES, UK	13
PROBIS	Promoting bidding through innovative solutions aimed at increasing energy efficiency and sustainability of European public buildings	Nov 2013 – Nov 2016	€2.4m	1 coordinator, 9 partners	HU, IT, ES, SE	tbc
SPEA	Improving energy efficiency in municipal buildings	Aug 2012 – Feb 2017	tbc	1 coordinator, 2 partners	NL, ES, UK	tbc
SYNPRO	An innovative European project to develop a smart road system, from road/car sensors to smart data collection	Oct 2012 – Mar 2016	€2.4m	1 coordinator, 3 partners	FR, IT	3

# Upcoming pilot projects

- On 2018 COSME work programme with **budget of 4 M EUR**
- **Idea:** PPI, with financing of consortia of public procurers to purchase innovation (jointly if possible, otherwise in a coordinated manner)
- **Focus areas:** health, energy efficiency, intelligent transport but other ideas welcome
- **Structure of financing:**
  - **high rate** for collaborative actions,
  - **lower rate** for actual purchasing (to reduce the risk for the procurers when buying innovation, not eliminate it)
- **Indicative timing:** call published in Spring/Summer 2018, contracts signed before end 2018





# Thank you.

Further information:

General public procurement site on Europa:

[https://ec.europa.eu/growth/single-market/public-procurement\\_en](https://ec.europa.eu/growth/single-market/public-procurement_en)

Innovation policy in public procurement:

[http://ec.europa.eu/growth/industry/innovation/policy/public-procurement\\_en](http://ec.europa.eu/growth/industry/innovation/policy/public-procurement_en)

Guidance Innovation Procurement:

[http://ec.europa.eu/growth/content/commission-advises-public-buyers-how-capitalise-innovation\\_en](http://ec.europa.eu/growth/content/commission-advises-public-buyers-how-capitalise-innovation_en)

<https://ec.europa.eu/docsroom/documents/29261>

**Contact: [jaroslav.kracun@ec.europa.eu](mailto:jaroslav.kracun@ec.europa.eu)**

**European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW)**

**Directorate G: Public Procurement, Unit G4 – Innovative and a e-procurement**

[http://ec.europa.eu/internal\\_market/publicprocurement/index\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/index_en.htm)

[http://ec.europa.eu/growth/industry/innovation/policy/public-procurement\\_en](http://ec.europa.eu/growth/industry/innovation/policy/public-procurement_en)