Public Procurement Package
and innovation related initiatives

OASC

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Unit G4 Innovative and electronic procurement
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4) a draft guidance document on innovation procurement – launch of targeted consultation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4/ Targeted consultation on draft Guidance on Innovation Procurement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 opportunities for innovative suppliers
- Improving public service

**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
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
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)

## Past pilot projects

<table>
<thead>
<tr>
<th>Project name</th>
<th>Description</th>
<th>Start / end</th>
<th>CEC grant</th>
<th>Partners (procurers)</th>
<th>Partner MS</th>
<th>Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ECOQUIP</strong></td>
<td>Delivering Efficiency, Quality, and Sustainability in Healthcare</td>
<td>Apr 2012 – Nov 2016</td>
<td>tbc</td>
<td>1 coordinator, 11 partners</td>
<td>HU, IT, NL, UK, PL &amp; EU</td>
<td>5</td>
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<tr>
<td><strong>FIRED-UP</strong></td>
<td>Improved environmental performance of frontline firefighting vehicles with new ideas and new technologies</td>
<td>Jun 2012 – Aug 2015</td>
<td>€139k</td>
<td>1 coordinator, 1 partner</td>
<td>BE, UK</td>
<td>tbc</td>
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<tr>
<td><strong>HAPPI</strong></td>
<td>Linking European health public procurers to work together in order to detect and purchase innovative and sustainable solutions which will improve ageing well</td>
<td>Oct 2012 – Aug 2016</td>
<td>€2m</td>
<td>1 coordinator, 7 partners</td>
<td>AT, BE, FR, GE, IT, LU, UK</td>
<td>3</td>
</tr>
<tr>
<td><strong>INNOBOOSTER</strong></td>
<td>Innobooster in Lighting and Furniture</td>
<td>Jun 2012 – Dec 2016</td>
<td>tbc</td>
<td>1 coordinator, 4 partners</td>
<td>AT, FI</td>
<td>tbc</td>
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<tr>
<td><strong>INNOBUILD</strong></td>
<td>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</td>
<td>Jun 2012 – Jun 2015</td>
<td>tbc</td>
<td>1 coordinator, 7 partners</td>
<td>NO, SE</td>
<td>tbc</td>
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<tr>
<td><strong>PIAP</strong></td>
<td>Public Administration Procurement Innovation to Reach Ultimate Sustainability</td>
<td>Oct 2013 – Oct 2016</td>
<td>tbc</td>
<td>1 coordinator, 5 partners</td>
<td>GE, IT, NO, PL, ES</td>
<td>tbc</td>
</tr>
<tr>
<td><strong>PRO-LITE</strong></td>
<td>Procurement of Lighting Innovation and Technology in Europe</td>
<td>Nov 2012 – Aug 2016</td>
<td>tbc</td>
<td>1 coordinator, 5 partners</td>
<td>GE, IT, NL, ES, UK</td>
<td>13</td>
</tr>
<tr>
<td><strong>PROBIS</strong></td>
<td>Promoting bidding through innovative solutions aimed at increasing energy efficiency and sustainability of European public buildings</td>
<td>Nov 2013 – Nov 2016</td>
<td>€2.4m</td>
<td>1 coordinator, 9 partners</td>
<td>HU, IT, ES, SE</td>
<td>tbc</td>
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<td><strong>SPEA</strong></td>
<td>Improving energy efficiency in municipal buildings</td>
<td>Aug 2012 – Feb 2017</td>
<td>tbc</td>
<td>1 coordinator, 2 partners</td>
<td>NL, ES, UK</td>
<td>tbc</td>
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<tr>
<td><strong>SYNCRO</strong></td>
<td>An innovative European project to develop a smart road system, from road/car sensors to smart data collection</td>
<td>Oct 2012 – Mar 2016</td>
<td>€2.4m</td>
<td>1 coordinator, 3 partners</td>
<td>FR, IT</td>
<td>3</td>
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</table>
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:

Innovation policy in public procurement:

Guidance Innovation Procurement:
http://ec.europa.eu/growth/content/commission-advises-public-buyers-how-capitalise-innovation_en
https://ec.europa.eu/docsroom/documents/29261

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Directorate G: Public Procurement, Unit G4 – Innovative and a e-procurement
http://ec.europa.eu/internal_market/publicprocurement/index_en.htm