

**PCP AND INNOVATIVE PROCUREMENT IN EUROPE:
GOOD PRACTICES FROM IKTIMED PROJECT (MED PROGRAM)**

ANCONA, 15TH MAY 2012

THEMATIC AREAS



SMART SPECIALIZATION (5)

Smart specialization strategy is built on regional strengths and comparative advantages as well as on possible cooperation among territories. Leading regions with a critical mass can invest in advancing a generic "basic" technology (at the frontier of knowledge). Other regions can invest in the application of this knowledge to a particular sector or related sectors.

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PUBLIC PROCUREMENT (6)

Public institutions can become enablers of open innovation by promoting new practices in its procurement strategies. Policy attention focuses more on the supply side of innovation and less on building market demand for innovation through public procurement for innovative products and services. Procurement as part of policy mix for addressing innovation cases.

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OPEN INNOVATION (2)

Open innovation is a more dynamic model in which companies look both inside-in and outside-out. Innovation is based on knowledge assets outside the companies and co-operation is a way to source knowledge in order to generate new ideas and bring them quickly to market. Open Innovation means that companies should make much greater use of external ideas and technologies.

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KNOWLEDGE COMMUNITIES (1)

Knowledge and Innovation Communities (KICs). According to European Institute of Innovation Technology KICs will be highly integrated, creative partnerships including education, technology research, business and entrepreneurship, public and private research, regional and national governments, that will produce new innovations and new innovation models and inspire others to emulate them.

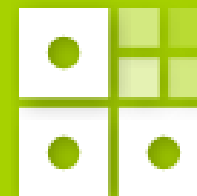
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INNOVATION POLICIES (3)

Innovation policy as a multi-level governance activity and the responsibility for policy design and implementation should be allocated among different levels of government. Further policy tools, in the European Research Area, such as joint programming and financial instruments (equity, loans etc) and/ or training and education programmes.

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KNOWLEDGE DATABASE (5)

Project activities are based on the identification and implementation of common trans-national methods and web platforms, in order to have a trans-national impact and contributing to remove bottlenecks in the diffusion and application of innovation and access to RTD results. Main goal of the project is to sustain innovation through a trans-national certified system of innovation supply.

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Pcp description

Pre-Commercial Procurement is a method for public purchasers to finance the development of ground-breaking solutions to a problem, in view of future commercial procurement of large volumes of end products, when they have identified that the problem cannot be effectively and efficiently solved by a state-of-the-art solution.

Key aspects on PCP process:

The scope is R&D only. This may include activities such as solution exploration and design, prototyping, development of a limited volume of first products or services in the form of a test series.

R&D does not include commercial development activities

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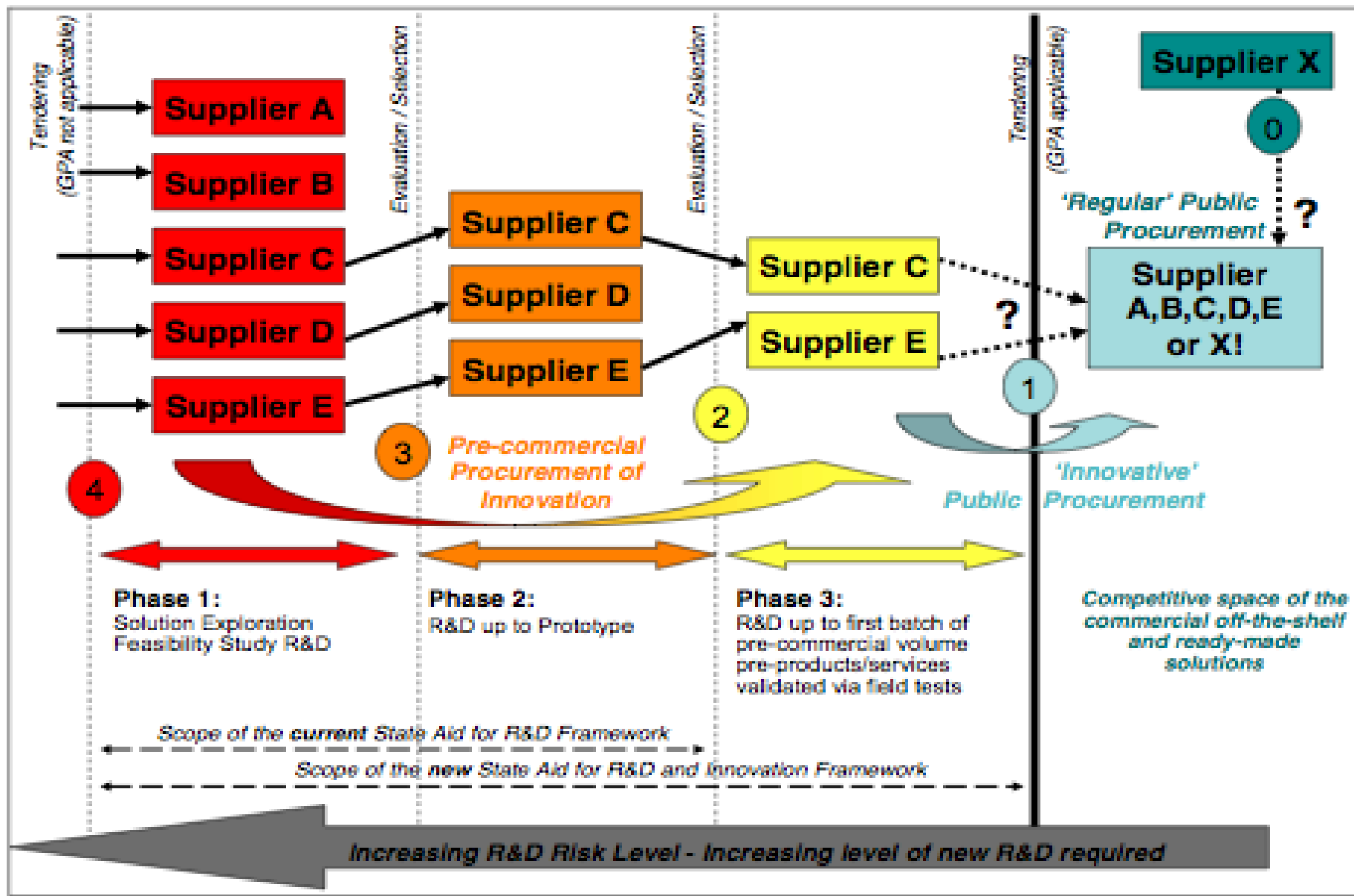
The application of risk-benefit sharing

in PCP, the public purchaser does not reserve the R&D results exclusively for its own use: Public authorities and industry share risks and benefits of the R&D needed to develop new innovative solutions that outperform those available in the market.

Key aspects on PCP process:

PCP is a competitive procurement designed to exclude state aid

the entire procurement process ensures the competition, transparency and enables the public procurer to identify the best solution the market can offer.



Benefits of Pre-Commercial Procurement For Suppliers:

- Wider Market,
- use of economy of scales,
- better products
- Shared Risks and Benefits
- Global Competitiveness

Benefits of Pre-Commercial Procurement For Procurers:

- Shape products to public needs
- “First-time right” product
- Increase Technology Knowledge
- Favour supplier competition and pooling of resources
- Reduce unforeseen expenditures, risk of innovation and cost of procurement

Benefits of Pre-Commercial Procurement For Polititians:

- Quality of Public Services
 - Focus on Political Priorities
 - Attract Investment

Mapping of the good practices of Pre-Commercial Procurement Worldwide :

n. 19 Worldwide practices of PRE COMMERCIAL PROCUREMENT from IKTIMED report

[E:\INNOVAGE\report_PCP \[1\].pdf](E:\INNOVAGE\report_PCP_[1].pdf)



Mapping of the good practices of Innovative procurement in Europe :

About European best practices of 100
INNOVATIVE PROCUREMENT...

FCP- first commercial procurement

SPP – smart and sustainable public procurement

PPI – public procurement of innovation

GPP – green public procurement

EME – early market engagement

practices from IKTIMED survey



Marche region attempt to diffuse the concept of pre commercial and innovative procurement

the regional workshop on

“the new policies for promoting innovation a focus on pre-commercial procurement”



selection of two best practices coherent to INNOVAGE topics



Co-ordinator: ICLEI – Local Governments for Sustainability

Partners: Greater London Authority (UK) - Città di Torino (Italy) - Motiva (Finland) - Culminatum (Finland) - IFZ (Austria) - Defra (UK) - PIANOo (Netherlands)

MAYOR OF LONDON

Motiva

PIANOo DUTCH PUBLIC
PROCUREMENT
EXPERTISE CENTRE

culminatum
INNOVATION

ALPEN-ADRIA
UNIVERSITÄT
KLAGENFURT


CITTÀ DI TORINO

defra
Department for Environment
Food and Rural Affairs

ICLEI
Local
Governments
for Sustainability

REGIONE
MARCHE

ed
L'Europe en Méditerranée
Europe in the Mediterranean



Raccomandation for Public Administration

economic issues

- use of the **LCC/WLC** “Life Cycle / Whole-Life Costing, or equivalent to support decision

The use of this method of calculation depends on the ability of PA to devide project costs among the different departments and services involved in the desing construction and administration of the construction. Normally the construction costs are considered separately from managing costs and PA cannot transfer resources form one cost item to another. (construction cost can be reduced but the the expenses of managing and maintenance costs)



Raccomandations for Public Administrations

energy efficiency and sustainability

- be sure that energy performance are evaluated in every step of the project and of its realization as a whole and not as single components

involvement of both the administrator and the users of the construction

- because it is important to test the effective needs of user in order to rely after on the sustainability of the choice made

work with suppliers in order to promote innovation

- According to suppliers PA do not fully exploit the potential for innovation because they do not express clearly technical and general requirements



early market engagement

Try to address to the open market in order to identify new technical potential solution, fair objectives and appropriate systems of evaluation

new models of procurements and contracts

- Designers and enterprises should strongly cooperate all along the process. There should be provisions in the contract that allow designers to supervise and evaluate the result of the construction
- Do an accurate evaluation of risks and identify subject responsible for the various steps of the process so as to define more effective calls and contracts



Let people know

- Communicate project results to the public. Let people be informed on technical solutions applied, enterprises involved and benefits obtained
- Give evidence of best practices, contribute to create network for collaboration

The pilot pre commercial procurement in Lombardy region (IT)



Regione Lombardia

HEALTH as a priority field to test pilot actions because:

- It represents 70% of regional spending and 6,5% of regionale gdp
- offers large market share to enterprises (through PP)
- It is a high innovation technology content demand
- citizens immediatly become aware of the high value of the procurement

The pilot pre commercial procurement in Lombardy region (IT)



Regione Lombardia

1st step – analysis of regional ealth technology needs:

Macro analysis of ealth spending

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Regione Lombardia

2nd step - Selection of 3 main needs (brainstorming session) :

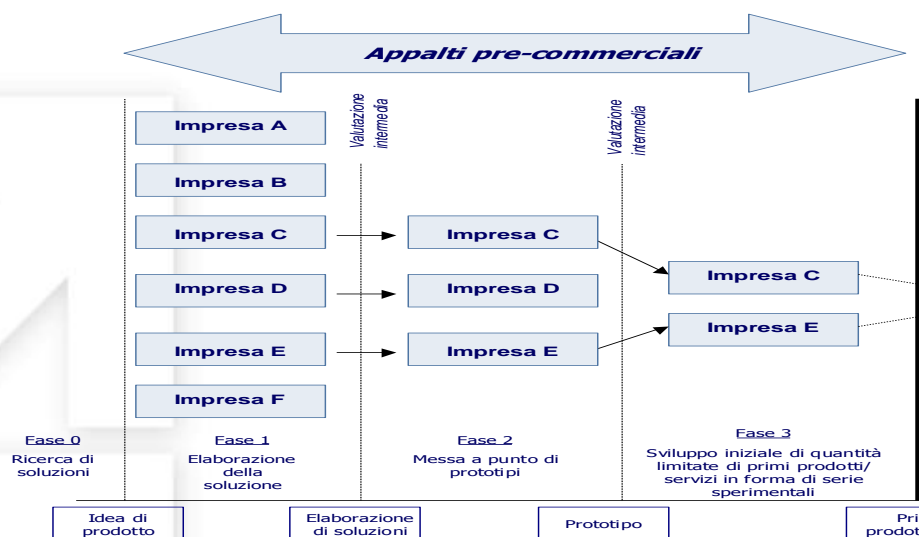
1. universal interface home medical device for the transmission of patients 'data signals and parameters
2. Automated Robotic system for blood samples
3. Automated devices for beds and stretchers pulling

The pilot pre commercial procurement in Lombardy region (IT)



Regione Lombardia

3rd step – management of the pre commercial procurement procedure (June 2012)



The pilot pre commercial procurement in Lombardy region (IT)



Regione Lombardia

4th step – definition of a regional model and its implementation (July - December 2012)

- regional guidelines definitions
- definition of the organization and its management
- creation of a regional fund for innovation
- programming health innovation spending

Thank you for your attention

Dott.ssa Anna Torelli

**P.F. Innovazione, ricerca, distretto tecnologico
e competitività dei settori produttivi**

REGIONE MARCHE

Servizio Industria Artigianato Energia

Via Tiziano n. 44 – 60125 ANCONA

(Tel. 071 8063602 7 Fax 071 8063017 – 8063058

mail anna.torelli@regione.marche.it