



European Commission

Enterprise and Industry Directorate-General
Unit D1 Innovation Policy development

Consultation on Public Procurement Networks in support of the Lead Market Initiatives

3-4 July 2008

Keith Sequeira



Public procurement networks in support of Lead Markets

Context

The Lead Markets Initiative

	Policy tools			
	Standardisation Labelling Certification	Legislation	Public Procurement	Complementary Actions
Lead Market Areas	eHealth	Recommendation for interoperability		Network to be set up by DG INFSO
	Sustainable construction		Screening of national legislation	Europe INNOVA, CI structural funds, National/ regional and policy measure
	Protective textiles			
	Bio-based products	Standardisation mandates		Networks of advanced public procurers to foster demand for innovation
	Recycling		Revision of WEEE directive, SCP/SIP	
	Renewables energies		Integrate RE sources into national grids	

<http://ec.europa.eu/enterprise/leadmarket/leadmarket.htm>



Previous reports

- *Public Procurement for research and innovation: Developing procurement practises favourable to research and innovation*, (The Wilkinson Report), September 2005
- *Innovation and Public Procurement. Review of Issues at Stake*, Fraunhofer ISI, December 2005
- *Creating an Innovative Europe* (The Aho Report), January 2006
- *Broad based innovation strategy*, September 2006
- *Guide on dealing with Innovative Solutions in Public Procurement: 10 elements of good practice*, European Commission, February 2007
- *Precommercial procurement: driving innovation to ensure sustainable high quality public services*, European Commission, December 2007

Experience in EU collaboration between public bodies: ERA-NETS

- ERA-NETS Support for collaboration between national and regional research programmes
- 71 ERA-NET Actions, covering various research fields
- Active involvement of all Member States
 - >1000 participations
 - >450 participants
 - 38% Ministries
 - 23% Research Councils
 - 28% Agencies
 - 11% Other
- 65% of ERA-NETs have launched or are planning joint calls (december 2007), most are doing it a second time
- Number of projects have extended their partnership over time

Experience in EU collaboration between public bodies: INNO-NETS

- The INNO-Nets aim to stimulate trans-national co-operation among different national or sub-national innovation programmes.
- 10 INNO-Nets established focusing on:
 - cluster policy cooperation,
 - support to knowledge-based SMEs and start-ups,
 - transnational knowledge valorisation, links of industry and research
 - innovation in services.



Public consultation

- Available at <http://ec.europa.eu/enterprise/leadmarket/leadmarket.htm>
- Comments from all stakeholders, particularly procurers on:
 - Aims
 - Scope
 - Activities
 - Modalities
- Deadline for comments, **Friday 25 July 2008** to ENTR-LMI@ec.europa.eu
- Will help specify call for proposals, Autumn 2008, and raise awareness for potential participants



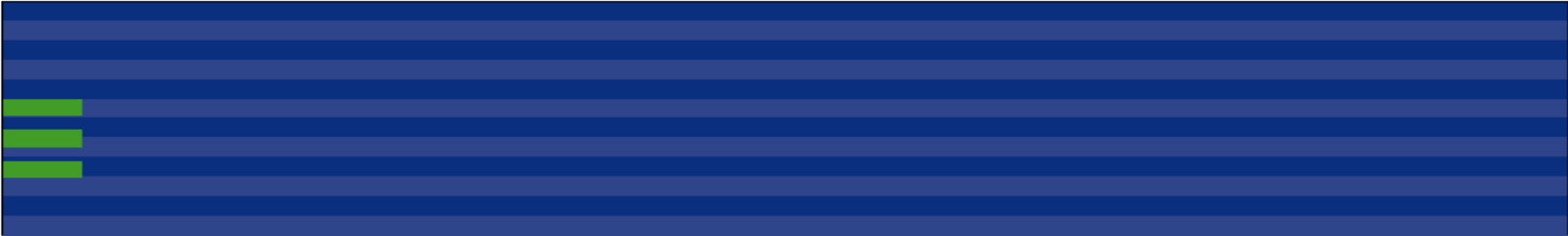
Public procurement networks in support of
Lead Markets

Objectives



Aim

- Increasing the innovativeness of public procurement by supporting procurers to:
 - improve their knowledge about innovative solutions available, “the intelligent customer”
 - signal to markets about future needs, “more investments, better suppliers”
 - coordinate strategies and activities, “economies of scale, scope, risk sharing”

- 
- Public procurers = “contracting authorities”
 - State, regional or local authorities
 - Bodies governed by public law
 - As defined by 93/37/EEC Directive
 - Active procurers in the lead market area
 - Organisations that support professionalism in public procurement



*Does not affect responsibilities, obligations
and authority of each participating procurers*

Does not affect legislative framework



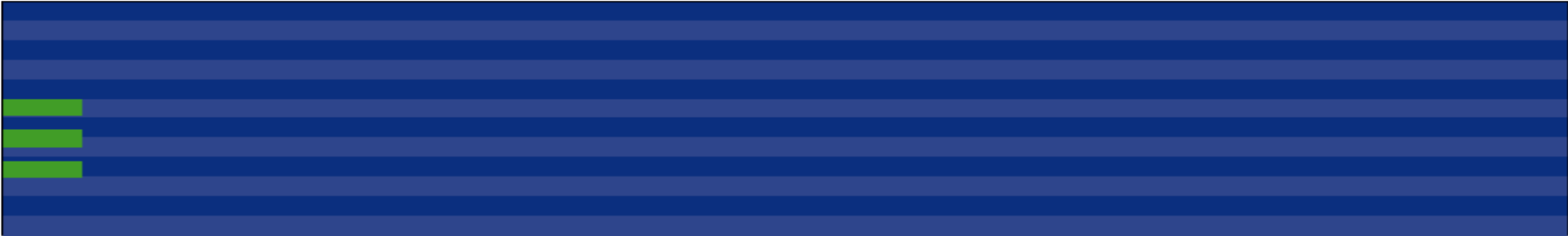
Differences with other initiatives

- Thematic focus
 - addressing the particular needs of procurers in the lead market areas
 - Market specific knowledge
- “Owned” by public procurers
 - Under the governance and responsibility of public procurers
- Operational
 - going beyond generic best practice and guidance
- Transnational cooperation
 - Exploiting benefits of transnational collaboration and learning



Public procurement networks in support of Lead Markets

Scope

- 
- **E-health**
 - **Construction**
 - Non-residential, residential, infrastructure
 - New design technologies, management methods, “servicisation”
 - **Protective textiles**
 - Fire, rescue, security, police, public transport, defence, medical
 - **Bio-based**
 - Bio-plastics, bio-lubricants
 - **Recycling**
 - Facilities and services
 - **Renewables**



Views from Commission representatives

- Michael Palmer, DG INFSO, E-Health LMI
- Antonio Paparella, DG ENTR, Construction LMI
- Outi Niiranen, DG ENTR, Protective Textiles LMI
- Igor Jelinski, DG ENV, Recycling LMI



QUESTIONS

- **Are the aims and objectives the right ones?**
- **Are there overlaps with other existing networks and initiatives?**
- **Is it feasible?**
- **How prescriptive should the scope be?**
- **What particular focus within the scope of the lead market areas?**



Public procurement networks in support of
Lead Markets

Activities to be supported



Proposed “mandatory” activities

- **Creation of a specialised network**, involving procurers active in the lead market area
- **Exchange of practice**, on procurement strategies, specifications, contract management
- **Coordinated technical dialogue** with suppliers in different countries
- **Monitoring and market intelligence** on trends
- **Events, guidance, dissemination, training**
- **Contributing to wider Lead Markets Initiative**



Proposed “optional” activities

- **“Calls for solutions”** where suppliers
- **Information portals** on public procurement opportunities
- **Coordinated procurement strategies**, e.g. to share risks of the “launch customer”
- **Joint public procurements**, where it makes sense to overcome fragmented demand
- **Other joint or coordinated actions**



QUESTIONS

- **Do activities meet needs?**
- **Are they relevant for all lead market areas?**
- **What other needs are there/ activities that could benefit from trans-national cooperation?**
- **What balance between mandatory and optional activities to be supported?**



Public procurement networks in support of
Lead Markets

Modalities



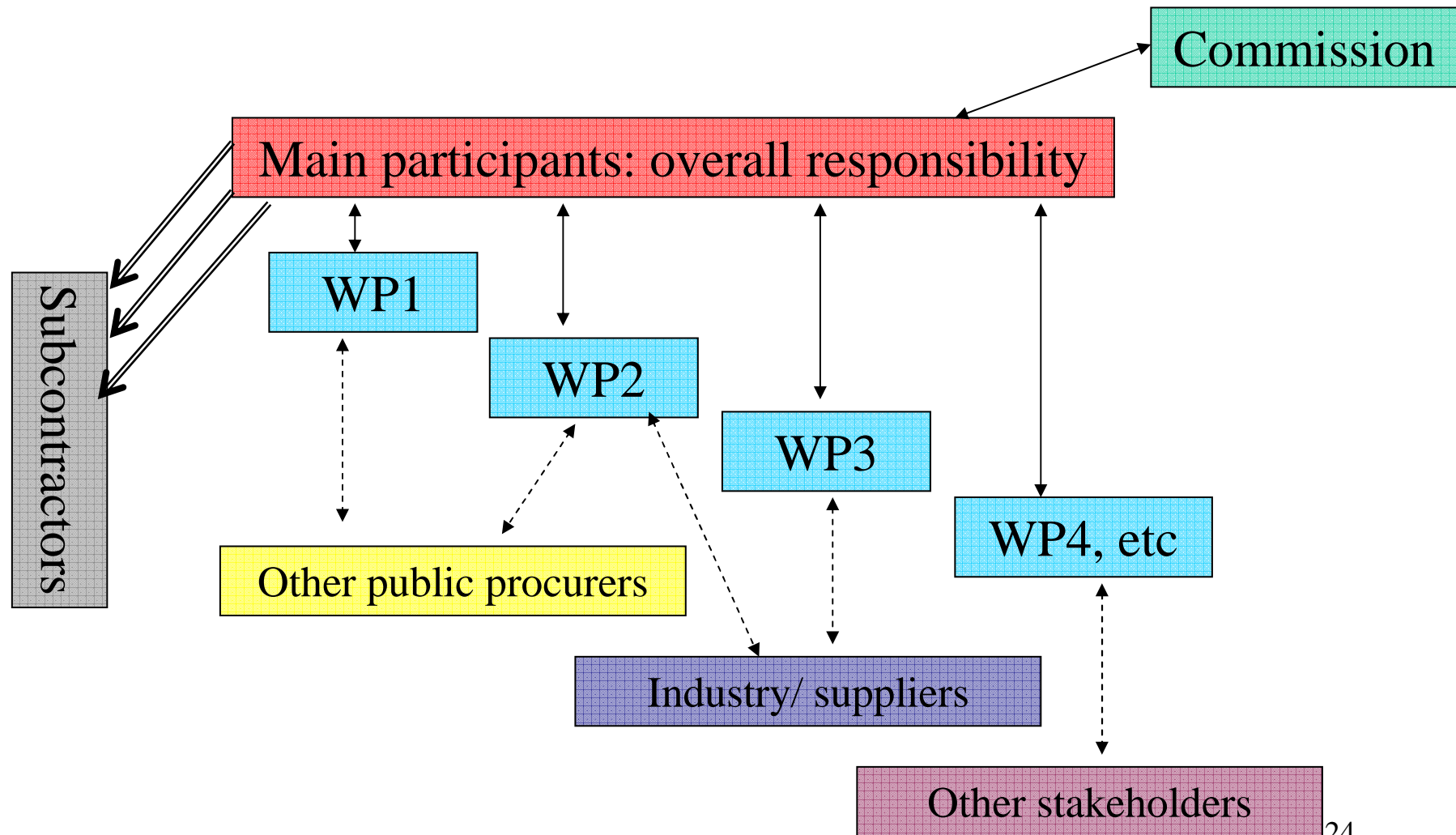
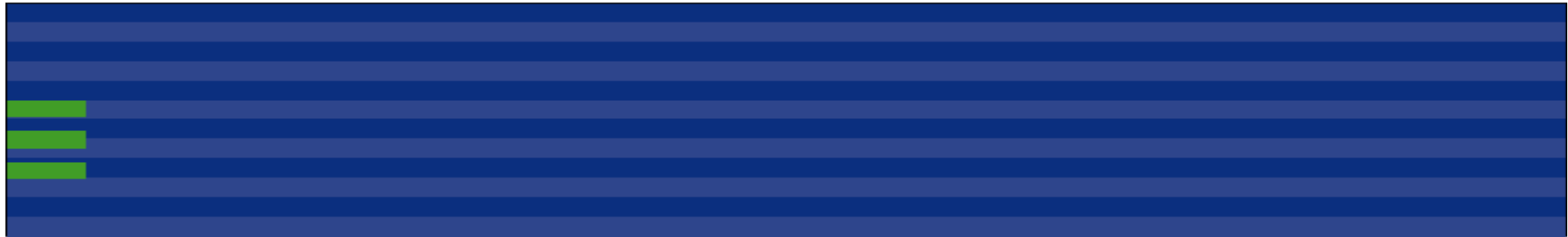
Call for proposals

- Not a tender!
- Call text defining objectives, scope, financing, criteria, conditions
- Proposals to be submitted by consortia
- Eligibility, evaluation and selection of proposals against defined criteria
- Grant agreements to be signed between the Commission and selected consortia



Potential participants

- Public procurers active in the lead market areas
- Organisations that support public procurement
- Innovation agencies
- Other?





Main participants

- Enter grant agreement with Commission
- Overall responsibility for the action
- Meet eligibility criteria defined in call
- Should come from several Member States or associated states (trans-nationality)
- Manageable number



Others participants

- **Wider set of public procurers** active in the lead market area
 - participate in events, training, portals
 - Benefit from information, dissemination
- **Industrial suppliers/ trade associations**
 - Need to avoid conflict of interests
 - Participate in technical dialogues
 - Benefit from information, dissemination
- **Other stakeholders, e.g.**
 - Cooperation with other networks and activities at EU and national/ regional level
 - Cooperation with innovation/ research agencies
 - Interface with procurement policies/ support
 - Interface with Commission services



Subcontracting

- For specific tasks, e.g.
 - organisation of events,
 - websites,
 - studies/ reports
 - training
- Selected by main participants
- Under the responsibility of the main participants



QUESTIONS

- Are we missing other types of organisation that should be involved as main participants?
- Are there differences in each lead market area?
- How should others be involved in the actions?

And.....

- **Who are these organisations?**
- **How can they be made aware?**
- **Will it be attractive to these organisations?**
- **How can they be helped to form consortia?**