

## INNO-Views Policy Workshop

### **Lead markets and public procurement:**

*Joining up to foster innovation*

The Hague  
July 3<sup>rd</sup> & 4<sup>th</sup>, 2008

***Summary of workshop discussion and  
recommendations***

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## Lead markets and public procurement: Joining up to foster innovation

The workshop brought together 40 experts and practitioners in public procurement and innovation from 15 Member States to provide input and feedback to the Commission's consultation on public procurement networks in support of the Lead Market Initiative.

This note provides a summary of the key points and recommendations arising from the workshop discussions. A full report of the workshop is available separately at:

[http://www.proinno-europe.eu/index.cfm?fuseaction=workshops.ws\\_overview&id=24](http://www.proinno-europe.eu/index.cfm?fuseaction=workshops.ws_overview&id=24)

### Public procurement networks: current initiatives and the rationale for trans-national networks

Participants made the following points:

- There are some networks of public procurers at EU level, notably the EU Lab, the Public Procurement Network, ePractice.eu; some Commission financed projects such as the STEPPIN project (procurement and standards), OMC Net on Public Technology Procurement, and the Pro EE initiative (energy efficiency); and some national networks, such as in the UK and the Netherlands. However, cooperation between public procurers is non-existent within many regions and countries and trans-national cooperation is poorly developed across Europe.
- A main barrier to using procurement for innovation is probably the lack of recognition of innovation as strategic objective for procurers (as opposed to procurement policy makers) and the need to combine it with value for money and legal considerations. This is aggravated by a lack of resources/strong procurement departments and a lack of professional recognition and capabilities of procurement officers. In addition, public procurers often lack a sufficient knowledge of the market sector and technologies and there is limited dialogue with potential suppliers.

- The envisaged thematic networks in the Lead Market areas seem to complement rather well the various existing networks which have partial coverage and tend to focus on cross-cutting issues. Therefore the Commission's initiative in this area was welcomed and a number of benefits of cross border collaboration are apparent from existing activities, which could be further realised with dedicated support.

### **Scope and activities of public procurement networks in support of the Lead Market Initiative**

Participants discussed the questions raised in the Commission consultation document and made the following points and recommendations for the different questions.

#### *Overall objective and aim of the proposed networks.*

- There was strong support that this is an important initiative by the Commission. At the same time the Commission should be clear on the purpose, i.e. that it wants to support innovation in the lead market areas and not just better procurement processes.
- Clarity needs to be provided about the relation and possible interaction of these networks in order to avoid any perception of duplication. The networks also need to understand how they fit into the wider strategy for the Lead Market Initiative.

#### *Activities of the proposed networks*

- The networks are a new approach and the Commission should therefore be flexible in specifying which activities are to be supported.
- Within each lead market area support is important for pre-tendering activities (market soundings, technical dialogue, "meet the buyer" events). Other activities include developing innovative procurement strategies setting out the future needs of procurers, as well as developing and testing new tools and models to help with procurement processes.
- In some of the lead market areas cooperation in setting common specifications could be foreseen by the networks and as a means to joining up public procurements and some caution is needed in considering formal joint procurements.

#### *Modalities and participation for the proposed networks*

- The core participants in the networks should be a small number of experienced strategic procurement organisations, who should then undertake activities to involve other procurers and discussions with industry and suppliers active in the

lead market area. Relevant organisations that support public procurement and run initiatives on public procurement and innovation should also be included. It is important that the networks also involve other stakeholders, such as finance ministries, technology organisations and in some cases civil society organisations.

- There is often a distinction between people who establish needs and specifications (strategic function) and those who run tendering processes (administrative function). It is important to include the strategic function as it is at this level that common problems in the lead market areas and solutions can be addressed at trans-national level.. Depending on the organisation of procurement activities in different countries and areas, involvement could be by national, regional or local authorities depending on where responsibilities and expertise lies.
- There is a need to support potential participants to find other partners and to discuss the feasibility of proposals in advance of the call deadline. It is important that the call is highly visible such that the right organisations are able to participate.

### **INNO-Views**

*INNO-Views policy workshops establish a dialogue between public authorities, analysts, industry and academia to explore new or better innovation policy instruments for Europe. The workshops have the objective to explore innovation themes related to actual and forthcoming needs of European innovation policies. On average, 4 workshops are organised per year. The workshops bring together 30-40 relevant professionals and are organised on the basis of personal invitations only. Workshop results are published on the PRO INNO Europe website (<http://www.proinno-europe.eu>).*

*Any requests, recommendations and suggestions of themes, experts and locations for further workshops are welcome and should be directly addressed to INNO-Views:*

### **Contact**

Dr. Rolf Reiner  
i.con. innovation GmbH  
INNO-Views coordinator  
Wankelstr. 14  
70563 Stuttgart  
Germany

[INNO-Views@icon-innovation.de](mailto:INNO-Views@icon-innovation.de)

Kimmo Halme  
Advansis Oy  
INNO-Views project  
Itälahdenkatu 22 A b  
00210 Helsinki  
Finland

[kimmo.halme@advansis.fi](mailto:kimmo.halme@advansis.fi)