



EUROPEAN COMMISSION
DIRECTORATE GENERAL FOR INDUSTRY AND ENTREPRENEURSHIP

FINAL AGENDA

“Promoting Innovation Through Public Procurement:
Best Practice & Networking”

Brussels, 23-24 March 2010

Centre Borschette, Rue Froissart 36, 1040 Brussels (metro Maelbeek or Schuman)

“It is time to harness the power of government procurement to promote innovation”
European Commission President, José Manuel Barroso, The Economist, December 2009

Aim of the conference

In the past three years, the European Commission and several public authorities in Europe have launched a number of initiatives that stimulate the public procurement of innovations and stimulate innovative public procurement itself. These include Green Public Procurement GPP, e-Procurement, social considerations, variants in procurement, technical dialogue or forward commitment procurement methodologies, as well as Pre Commercial Procurement (PCP) or research oriented public procurements.

Stakeholder and expert communities, training and guidance are being developed. To start building a European critical mass in this field, there is a need to facilitate the networking and exchanging of best practice among public procurers, policy makers and relevant stakeholders. This conference aims to promote a connected community of stakeholders and identify possible joint actions.

Specific objectives are to:

- Clarify the relationships between networks and stakeholders (existing ones and new ones) that can facilitate/ promote public procurement of innovations: innovation agencies, Enterprise Europe Network partners, experts, industry, procuring facilitators
- Identify what tools are best used to help these people and where there is potential for joint actions

Context

Public procurement was identified as a priority for EU innovation policy under the 2006 Broad Based Innovation Strategy. Since then, the Commission has provided guidance on innovation in public procurement, introduced the concept of pre-commercial procurement and launched calls to support trans-national networks of public procurers in the lead market areas¹ and for pre-commercial procurement². In parallel, innovative approaches in public procurement have been already developed.

¹ Refer to: http://ec.europa.eu/enterprise/policies/innovation/policy/lead-market-initiative/public-proc_en.htm

² Refer to: http://cordis.europa.eu/fp7/ict/pcp/home_en.html



Despite these policy initiatives, the vast majority of public procurement in the EU does not purchase enough innovative solutions. This is of particular concern with public procurement representing around 17% of EU27 GDP (around 2000 billion euro a year – DG MARKET 2007 data), the rising pressures on public expenditure and the growing demands for better public services. Access to public procurement remains difficult for many companies, particularly small and innovative ones, and this issue is being considered in the context of the future European Innovation Plan.

Innovation in public procurement can be envisaged from two complementary and interlinked perspectives: 1/ on how public procurers are buying and 2/ on what public procurers are buying.

The “how” is mainly related to innovative methodologies promoted or allowed by the current Directives on public procurement.

The “what” concerns the products or services purchased which are innovative or new by nature. Pre-commercial, research oriented public procurements, GPP or SBIR³ type methodologies are particular tools dedicated to the “what”.

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Number of participants expected: 180, mainly European public procurers, experts & decision/policy makers.

Tuesday 23 March

8:30-9:00 Coffee and registration

9:00-9:30 Introduction: purpose of the conference - what do we want to achieve?
Presentation of the European Innovation plan: societal challenges, demand-side approaches: Françoise Le Bail (Deputy Director General DG Enterprise & Industry)

9:30-14:45 PLENARY SESSION (ROOM CCAB 0D)

9:30-10:45 Procurement and strategies for encouraging markets for new solutions: knowing the problem, solutions available, but market not developed

Chairperson: Peter Dröll (DG ENTR) Discussant: John Connaughton (DAVIS LANGDON LLP, Head of Management Consulting, UK)

Ø “LCB-Healthcare project: A European network of public procurers for low carbon healthcare buildings”: Fergus Harradence (Department for Business Innovation & Skills, UK)

Ø “Innovation in Public Procurement: the Finish example for supporting public procurers”: Mika Lautanala (TEKES, FI)

³ Small Business Innovation and Research programme developed by the USA and replicated by several European Member States.



- Ø "Best practice on organizing a supply chain: bio products for school canteens": Richard Julian (city of Lille, FR)
- Ø "Joint procurement methodology": Alvaro Oliveira (PRECO (PCP), Save Energy (IEE) & Apollon (IEE) projects – Alfamicro, PT)

Debate: What is being done to disseminate and promote best practice in procurement of innovative solutions; how effective is it? Which role for innovation agencies, Enterprise Europe Network partners, experts, industry, procuring facilitators...?

10:45 -11.15 Coffee break

11:15-12:30 Pre-commercial Public Procurement: knowing the problem but not the solution

Chairperson: Khalil Rouhana (DG INFSO) Discussant: Laila Gide (Vice-President European R&T/D programmes for THALES)

- Ø "New support mechanism for Pre-commercial Procurements": Lieve Bos (DG INFSO)
- Ø "EIB: Possibilities for EIB loans for joint PCP": Harald Gruber (Head of Division, Projects Directorate, EIB)
- Ø "Hungarian example on how to setting up a PCP project through cohesion funds?": Barbara Berde (RAPIDE Project, HU)

Debate: Are new supports to PCP (FP7, EIB, structural funds) adequate to mainstream PCP across areas of societal challenges?

12:30-13:30 Lunch and coffee

13:30-14:45 Tools to support innovative procurement: building platforms

Chairperson: Klaus Wiedner (DG MARKET) Discussant: Jeremy Miles (member of the BUSINESSEUROPE working group on public procurement)

- Ø "Developing a European community of procurement stakeholders - the importance of effective networking": Mark Hidson (ICLEI, GE)
- Ø "The EU Public Procurement platform: plans for the future": Marieke van Putten (PIANOo, NL)
- Ø "Commission support to joint procurement of clean vehicles": Carlos Garcia (DG MOVE)
- Ø "Green Public Procurement, which best tools for action?": Pavel Misiga (DG ENV)

Debate: What kind of support is needed to encourage joint public procurement or procurement platforms?

14:50-15:00 Time to move to breakout rooms



15:00-17:30 SLOTS OF DISCUSSION

BREY = "DG ENTERPRISE Breydel building", Avenue d'Auderghem 45

CCAB = "Conference Centre Borschette", Rue Froissart 36

Parallel sessions will be organized, where people will have the chance to tackle more specific issues. The idea is to give the chance for participants (most active/innovative stakeholders on innovation through Public Procurement) to set-up slots on the issue they want to discuss on.

Question to be tackled during the discussions and presented in 2 min. during the following plenary session: 2 difficulties identified in your field to be overcome & 2 proposals for policy action at EU level to support your action/issue/topic?

15:00-16:00 Round I of breakout sessions (chair presentation 5 min. & speaker intervention 20 min.).

1. "Organising effective dialogue between the private and public sector": Chair: Simon Clement (ICLEI, SCI-NETWORK project, GE) & discussants: Kate Shaw (Group Buyer - Strategic Procurement & Commissioning, UK) & Isa-Maria Bergman (Motiva, FI) (ROOM BREY 5B)
2. "Setting up cross border PCP projects: experiences from areas such as ICT for transport, healthcare and energy": Chair: Lieve Bos (DG INFSO) & discussant: Suvi Kempainen (Culminatum, FI) (ROOM BREY 5A)
3. "How to bridge the gap between public procurers and innovative SMEs?": Chair: Simeon Chenev (DG ENTR) & discussants: Emmanuel Leprince (Comité Richelieu, FR), Collan Murray (Transport for London, Senior Procurer, SCI-NETWORK project, UK) (ROOM CCAB 0D)
4. "Towards a Life Cycle Costing approach in public procurement". Chair: Antonio Paparella (DG ENTR) & discussant: John Connaughton (DAVIS LANGDON LLP, Head of Management Consulting, UK) (ROOM BREY 14/79)

16:00-16:15 Time to move to other rooms (coffee will be served in each session room)

16.15-17.15 Round II of breakout sessions (chair presentation 5 min. & speaker intervention 20 min.), participants to choose which sessions they want to attend.

5. "Best practice of Forward commitment procurement methodologies": Chair: Fergus Harradence (Department of Business Innovation and Skills, UK) & discussant: Gaynor Whyles (Department of Business Innovation and Skills, LCB-HEALTHCARE project, UK) (ROOM BREY 5B)
6. "How much public procurement of innovation is there? Can we measure it & establish targets?": Chair: Keith Sequeira (DG ENTR) & discussant: Marieke van Putten (PIANOo, SCI-NETWORK project, NL) (ROOM CCAB 0D)
7. "Risk management in procurement of innovation", Chair: Patrick McCutcheon (DG RTD) & discussant: Max Rolfstam (University of Southern Denmark, DK) (ROOM BREY 5A)



8. "Opportunities in transport for joint public procurement": Chair: Sylvain Haon (Polis, BE), & discussants: Rasmus Lindholm (Project Manager for GSC and ERTICO, BL) and Kenneth McLeod (TIE, UK) (ROOM BREY 14/79)

17:15-17:30 Time to move back to the plenary session

17.30-18.45 PLENARY SESSION (ROOM CCAB 0D):

feedback from round table sessions and conclusions by Members of the European Parliament: Heide Rühle & Malcolm Harbour; Chair: Françoise Le Bail (Deputy Director General DG Enterprise & Industry)

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Wednesday 24 March*

09:30-10:30 Plenary networking meetings among projects working on innovation through public procurement: Chairs: Bertrand Wert (DG ENTR) & Lieve Bos (DG INF SO) (ROOM CCAB 4A)

The 3 LMI-PPN networks / 2 PCP projects/ Enterprise Europe Network partners / BUY SMART & PRO-EE, SAVE-ENERGY, APOLLON, SMART-SPP projects (IEE/CIP) / DG REGIO projects: MKW, EUROPROC / DG OIB: internal sustainable construction projects / BaltMet-Network

- a. Partners and projects presentation (5 min.)
- b. Links and areas of co-operation

10:30-11:30 Multilateral meetings among projects: part I

- a. Sustainable construction: SCI Network, DG OIB, PCP energy, LCB Network (ROOM CCAB 4A)
- b. SMEs access to innovative procurements: EEN, PPN, PCP, EUROPROC (ROOM CCAB 4C): chair: Sven Schad (DG ENTR); speaker: Dolores Adamski (EEN partner, Grex, FR)
- c. Green public procurement: BUY-SMART (ROOM BREY 12/A)

11:30-11:45 Coffee break

11:45-12.45 Multilateral meetings among projects: part II

* Participants are also invited to join the INTERREG IVC "RAPIDE project" conference that will be held in Brussels on 24 March, and dedicated to: "Mainstreaming PCPs in Europe: recommendations from the RAPIDE project". For more information contact: Benjamin Kuscher: bkuscher-rapide@southwestuk.be / www.rapidenetwork.eu



- a. DG ENTR & EACI: presentation of EEN Working Group organisation on public procurement, and of potential networking actions with LMI-PPN and others (ROOM CCAB 4A): Sven Schad (DG ENTR); Speakers: Daniel Gassmann (EACI agency), Angelika Höß (EEN partner, Bayern Innovativ, GE)
- b. PCP projects: meeting among projects (ROOM CCAB 4C)
- c. LMI-PPN: meeting among projects (ROOM BREY 12/A)

13:00-14:00 Networking Lunch

END OF THE CONFERENCE

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Overview of the networks that intend to participate:

Ø PPN-LMI networks (Competitiveness & Innovation Programme):

- o SCI-Network: Sustainable Construction & Innovation through Procurement will help public authorities exploit and drive sustainable innovations in public construction and regeneration projects across Europe by bringing a large group of public authorities together with other key stakeholders in the construction sector with the aim to help combat the cross-border fragmentation of the sector. Specific working groups focus on 3 topics: renovation of existing building stock, innovative building materials, and the use of life-cycle analysis (LCA) and life-cycle costing (LCC). Contact: simon.clement@iclei.org
- o LCB Healthcare: Low Carbon Building (LCB) - Healthcare network seeks to stimulate innovative low-carbon building solutions for the healthcare sector. A platform for a network of public procurement stakeholders that wish to be proactive in stimulating innovative low-carbon building solutions for the healthcare sector will be created. Demonstration pilots will be done in all consortium countries aiming at collating, testing and developing further the tools created and enabling the spread of best practices. Contact: gaynor.whyles@jeraconsulting.com & david.williams3@bis.gsi.gov.uk
- o ENPROTEX: European Network of Protective Textile seeks to spark innovation through public procurement to meet future needs of fire services using a number of methodologies including: establishing and sustaining a specialised platform of European Network of Public Procurement Organisations; developing cooperation among public procurers; providing an interface with both end-users and manufacturers. In particular, the project will aim to provide industry with forward commitments for the



procurement of protective textiles products so as to encourage innovation in the sector. Contact: joshua.osifeso@firebuy.gov.uk

Ø PCP networks (Competitiveness & Innovation Programme):

- PRECO – Enhancing innovation in pre-commercial public purchasing process: the public sector in Europe is facing immense pressures for change. The local authorities play a key role in implementing public procurement policy and legal framework. A city or a region may therefore become an important test market in implementing new and innovative products and technologies. In this context, there is an urgent call for action. The overall objective of PreCo is to support public authorities in undertaking pre-commercial procurement (PCP) actions which stimulate innovation by engaging the suppliers in the market as well as the end-users (Living Labs). For this purpose, PreCo brings together a thematic network for the development and adaptation of European wide models, frameworks and policy recommendations in the domains of eHealth and eEnergy. Contact: suvi.kemppainen@culminatum.fi

- P3ITS – Pre-commercial procurement for ITS (Intelligent Transport Systems) innovation and deployment: With cooperative ITS systems, drivers' vehicles will "talk" directly with the traffic management system. Speed limit and other road sign information, weather alerts, warnings of approaching emergency vehicles and other urgent messages, will be sent wirelessly to an in-vehicle display. The timely availability and deployment of these services depend furthermore greatly on the Public Authorities in the establishment of national cooperative infrastructure (road side systems). In the context of P3ITS it will be investigated specifically how the existing but underutilised opportunity of pre-commercial procurement can stimulate innovation and help advance towards market conditions for large scale introduction of cooperative ITS services. Contact: r.lindholm@mail.ertico.com

Ø Intelligent Energy Europe (Competitiveness & Innovation Programme):

- APOLLON: will take the next step in networking and harmonising Living Lab approaches throughout Europe. It will evaluate the positive impact of domain-specific cross-border Living Lab networks. This approach enables SMEs to test and experiment their products and services outside of their home market and gain access to a true European market space, while being supported by large industrial companies, academic centres and other Living Lab stakeholders. APOLLON selected four domains in which ICT products and services innovation may benefit most from cross-border Living Lab networking: Homecare, Energy Efficiency, eManufacturing and eParticipation through Social Media. The main objectives of the APOLLON project are (1) to conduct cross-border Living Lab pilots, aimed in particular at SMEs, (2) to harmonise methodologies and tools for cross-border Living



- Lab projects, and (3) to create sustainable cross-border domain-specific Living Lab networks. Contact: pieter.ballon@ibbt.be
- BUY SMART - Green Procurement for Smart Purchasing: will promote, implement and further develop the instrument of green procurement (procurement of energy efficient products) in private and public institutions. By collaborating with professional platforms who already offer electronic procurement to a large number of customers, Buy Smart will for the first time realise 'green e-procurement', thus reaching the target group at the right time and place, offered through a provider they already trust. By involving professional trade associations, the target group of private purchasers will be better reached. With extensive training offers, capacity-building will be enhanced. Policy recommendations will finally be developed and channelled into the discussions to strengthen green procurement in the revision of the NEEAPs (national energy efficiency action plans) in 2011. Contact: v.huebner@berliner-e-agentur.de
 - PRO-EE - Public Procurement boosts Energy Efficiency: wants to bring together public authorities in 6 European countries to boost energy efficiency in selected product groups. Large-scale joint procurement is to bundle the purchasing power of public authorities with the aim to accelerate market penetration of products fulfilling ambitious energy efficiency criteria. The selected product groups are: office equipment; street lights. Pro-EE unites market actors in 6 European countries. If you represent a public authority in Austria, Italy, Germany, Portugal, Greece and Spain and want to reduce your energy consumption and costs, you are invited to participate and benefit in the joint procurement of the selected products. Contact: a.kress@klimabuendnis.org
 - SAVE ENERGY: aims to transform the energy consumption behaviour of public building users – focusing on civil servants, citizens and policy makers – by applying existing ICT-based solutions, specifically an energy management systems and a serious game that will provide real-time information about consumption in a user friendly way, thereby empowering citizens to take decisions that lead to energy savings. The project is supported by the "ICT for Sustainable growth" Unit with funds from ICT – PSP part of the Competitiveness and Innovation Programme. Contact: alvaro.oliveira@alfamicro.pt
 - SMART-SPP: Innovation through sustainable procurement - is assessing different approaches to encouraging innovation through the pre-procurement phase - particularly through more effective early dialogue with the market. Seven public authorities will be piloting different procedures in procuring highly energy-efficient products. A tool to assess both life-cycle costs and CO2 emissions of offers during the procurement process is also being developed. philipp.tepper@iclei.org



Ø Interreg IVC (Structural Funds):

- MKW: Making Knowledge Work (MKW) is a capitalisation project whose consortium consists of 14 partners aiming to improve the regional innovation capacity of the 12 participating regions. Its objective is to transfer and mainstream good practices in order to improve the innovation capacity of regions, by bridging gaps within the innovation chain. It focuses on the link between RTD and the final stage of innovation: mainstreaming activities, policies and measures that stimulate the commercial take up of innovative ideas and knowledge. It applies a combined micro and meso-level approach as it addresses micro-level projects as well as necessary additional structures, platforms and mechanisms to make these good practices on knowledge valorisation fit into the specific regional ecosystems. MKW mainstreams good practices, like: activities that pick up and valorise unused ideas and patents from universities or larger companies; good practices that put researchers in contact with potential launching customers; public authorities stimulating innovation; improving the availability and entrance to seed capital; strategies to address intellectual property and patents. Contact: t.vanlier@brainportdevelopment.nl
- EUROPROC: EuroPROC is a project that tackles the access of SMEs to public procurement markets. It aims at consolidating public procurement as a key element of the SMEs business strategy by adapting and improving the services offered to their support. An increased participation of SMEs in public procurement will allow unlocking their growth and innovation potential with a positive impact on the European economy. EuroPROC is coordinated by ACC10, the Catalan Agency for Competitiveness, and gathers 11 trade promotion and regional development agencies from 10 European Member States. One of the main outputs of the project is a Guide of Best Practices on services to SMEs on Public Procurement provided by European national and regional agencies. Contact: isidresala@acc10.cat

Ø Other European/National/Regional projects existing or in development:

- Innovation-friendly procurement processes (Baltic Metropolis Innovation Strategy project BaltMet-Network) Contact: anna.kivilehto@euhei.be

Ø DG OIB (EC):

- Project "Urbain-Loi" streets: How to build / renovate large office buildings (more than 50.000m²) to achieve a high environmental standard and particularly energy efficiency (if not passive)? What are the success factors for this kind of project? We obviously think of the project "Urbain-Loi" streets? What are the last technological innovations which could support such a project? For this type of large projects, how to integrate a Life Cycle Cost methodology, in a realistic and reasonable manner? Contact: lubomir.popov@ec.europa.eu

Ø Enterprise Europe Network, partners:



- Chambre de Commerce et d'Industrie de Grenoble: dolores.adamski@grex.fr
- Bayern Innovativ: angloher@bayern-innovativ.de
- Chamber of Commerce of Finland: janne.coiviste@chamber.fi
- ACC10' Competitivitat per l'empresa, Barcelona: oaltimira@copca.com
- Auftragsberatungszentrum Bayern: hoess@muenchen.ihk.de
- City of Bradford: jenny.lawson@bradford.gov.uk
- Promofirenze: paola.lesmo@promofirenze.com
- European Information Service Centre, Southampton: toni.saraiva@euro-info-centre.co.uk
- Cardiff University: lefebvre@Cardiff.ac.uk
- Berlin Partner: sibylle.Kubale@berlin-partner.de

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Acronyms and web references:

BaltMet-network: Baltic Metropolises Innovation Strategy project:

<http://www.baltmet.org/pub/?id=69>

BUY-SMART, IEE project: <http://www.buy-smart.info>

CIP: Competitiveness and Innovation Programme: http://ec.europa.eu/cip/index_en.htm

ConCiP: Italian procurement platform

DG ENTR: Directorate General Enterprise and Industry

DG ENV: Directorate General Environment

DG INFSO: Directorate General Information Society and Media

DG MARKET: Directorate General Internal Market and Services

DG OIB: Office for infrastructure and logistics in Brussels

DG REGIO: Directorate General for Regional Policy

EACI: Executive Agency for Competitiveness and Innovation:

http://europa.eu/agencies/executive_agencies/eaci/index_en.htm

EEN: Enterprise Europe Network: http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

EIB: European Investment Bank: <http://www.eib.org>

ERTICO: European road transport telematics implementation coordination organisation:

<http://www.ertico.com>

ESPO: Joint Committee of Local Authorities and operates within the Local Government (UK):

<http://www.espo.org>

EU Lab: umbrella network for activities on the field of public procurement:

<https://eulab.viadesk.com/do/login>

EUROPROC Interreg IVC project: <http://www.europroc.eu>

GDP: Gross Domestic Product

GPP: Green Public Procurement: http://ec.europa.eu/environment/gpp/index_en.htm

ICLEI: Local Government for Sustainability: <http://www.iclei-europe.org>

LMI-PPN: Lead Market Initiative-Public Procurement Networks (SCI-Network; LCB-Healthcare;

ENPROTEX): http://ec.europa.eu/enterprise/policies/innovation/policy/lead-market-initiative/public-proc_en.htm

http://ec.europa.eu/enterprise/policies/innovation/policy/lead-market-initiative/public-proc_en.htm



MKW: Making Knowledge Work, Interreg IVC project

PCP: Pre Commercial Procurement:

http://ec.europa.eu/information_society/tl/research/priv_invest/pcp/index_en.htm

P3ITS – Pre-commercial procurement for ITS (Intelligent Transport Systems): www.P3ITS.eu

PEPPOL project: <http://www.peppol.eu/>

PIANOO, Expert and resource centre in Netherlands for procurers: www.pianoo.nl/

PRECO – Enhancing innovation in pre-commercial public purchasing process:

<http://preco.share2solve.org/main/>

PRO-EE project: <http://www.pro-ee.eu/>

RAPIDE: Interreg IVC project: <http://www.rapidenetwork.eu>

SAVE ENERGY: <http://www.ict4saveenergy.eu/>

SBIR: Small Business Innovation and Research programme: <http://www.sbir.gov>

SMART-SPP: Innovation through sustainable procurement project: <http://www.smart-spp.eu>

TEKES: Finnish Funding Agency for Technology and Innovation: <http://www.tekes.fi/en>