

# TED Event 2018

## Superpowers of procurement data

Innovation Procurement in Horizon 2020

Anne Müngersdorff, ZENIT GmbH

Brussels, 30-31 May 2018

# AGENDA

- Innovation Procurement in Horizon 2020
  - Pre-commercial Procurement & Public Procurement of Innovative Solutions
- Needs and expectations:  
How can procurement data be used for EU business?
  - What are the needs?
  - Which data are available from which sources?
  - What are the expectations?
- Enterprise Europe Network – NRW.Europa

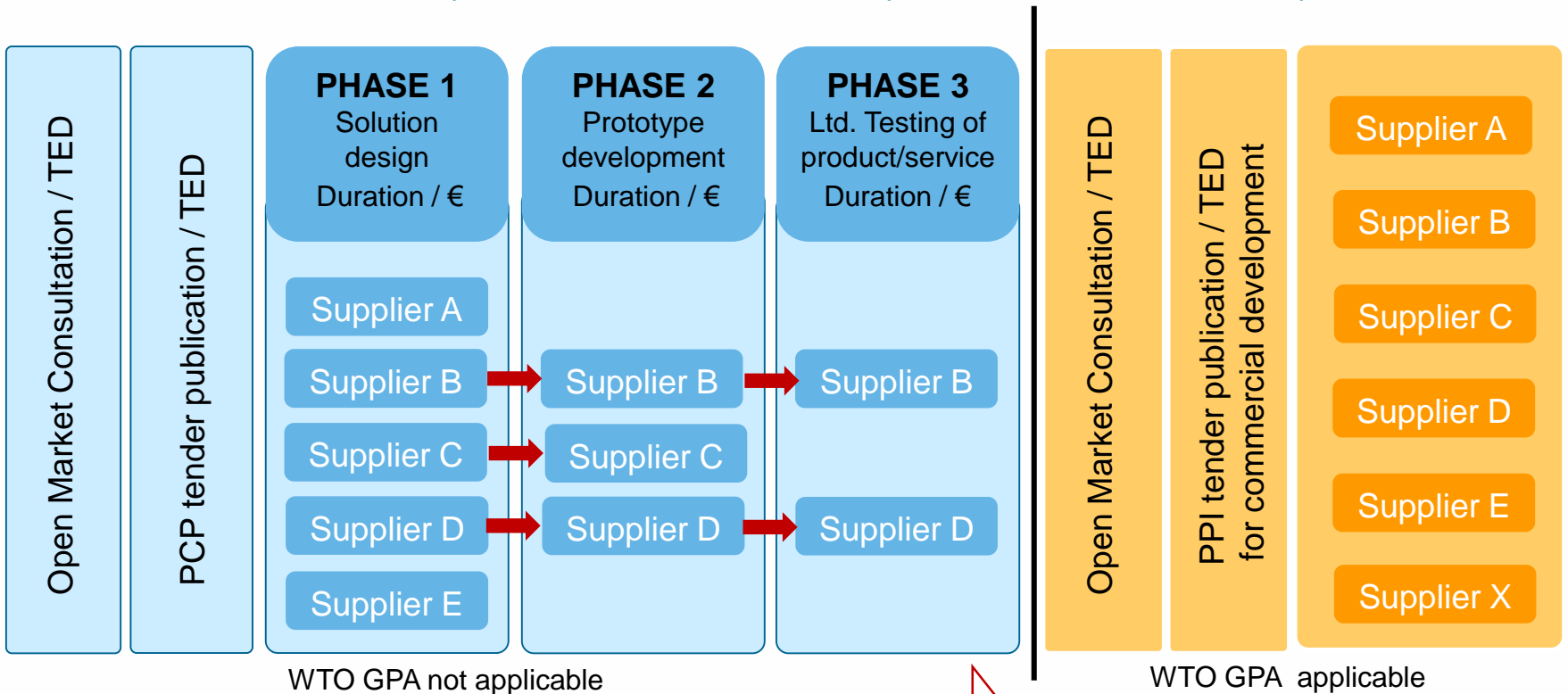
# Potential for Innovation through Public Procurement

- **Big volume:** Over 250,000 public authorities in the EU spend around 14% of gross domestic product (GDP) on the purchase of services, works and supplies
- **Policy lever:** Public Procurement is recognized as a strategic instrument for achieving policy objectives such as sustainable growth, support of small and medium-sized enterprises (SMEs) or innovation
- **Challenges for national, regional and local authorities:** Using Public Procurement strategically for innovation requires capabilities; 70% to 80% of public investments in Europe are made by local and regional authorities

# Innovation Procurement in Horizon 2020

- Innovation Procurement provides an early ‘reality check’ of concrete public purchasing needs against what could be feasible solutions
- The suppliers can better anticipate demand for new solutions and align their product developments to fulfil concrete customer needs
- In Horizon 2020 two complementary instruments are offered in the field of Public Procurement for Innovation: **PCP** and **PPI**
  - **Pre-commercial Procurement (PCP)** – public sector steers the development of new R&I solutions towards concrete public sector needs whilst evaluating alternative approaches from various suppliers in three phases
  - **Public Procurement of Innovative Solutions (PPI)** – public sector acts as launching customer or first buyer of innovative commercial end-solutions newly arriving on the market, no research development

# Schemes of PCP process and complementary PPI process:



The PCP process starts (after the need assessment) with an open market consultation followed by the tender preparation and three R&D phases (1-3), no commercialisation

## It is all about ...

- Demand driven innovation through **joint cross-border** public procurement
- **Suppliers knowledge** needed for innovative R&I solutions and commercialization of innovative solutions within Horizon 2020 Priorities (e.g. Priority III Societal Challenges)
- In PCP suppliers providing **taylor-made results** by having **low financial risk** (e.g. use of functional specifications to get most effective and efficient solutions)
- **Win-win-situation** for public procurers and innovative suppliers (e.g. in PCP the supplier keeps his IP rights, the purchaser gets the rights of use)
- **Financial incentives** in Horizon 2020 for purchaser, buyers groups etc. (e.g. **PCP actions**: co-financing (max. 90%) of actual procurement costs for joint PCPs plus coordination costs / **PPI actions**: co-financing (max. 35%) of actual procurement costs for joint PPIs plus coordination costs / **CSA actions**: reimbursement (max. 100%) only coordination costs e.g. procurer networks preparing future PCPs/PPIs)
- **Budget** in Horizon 2020 Work Programmes for PCP and PPI instruments still **increasing**, 2018 (41,2 M€), 2019 (83 M€) and in 2020 (100+ M€)

# Data for EU business on Innovation Procurement in H2020

	Long-term planning	Short-term planning	PCP/PPI-tender	Ex-post
Supplier needs data related to	Future demands, e.g. Horizon 2020 Priorities based on EU-2020-Strategy	Business strategy, own capacity for PCP/PPI-participation	Functional specification, PCP phases (duration, budget), IP rights, PPI market volume	General facts on time-to-market, Return on Investment (RoI), success rates, patents
Type of data (status quo)	Horizon 2020 Work Programmes, thematic calls for proposals	PIN of Open Market Consultation, CPV, NUTS	CPV, NUTS, volume, lead procurer	Few data available on project results, best practice cases
Data source (status quo)	Websites of EU-Commission's DGs, Participant Portal etc.	TED, national and regional procurement platforms	TED, national and regional procurement platforms	Studies, reports, on international, EU, national, regional level
Suppliers' expectations	Data e.g. on next R&I funding instruments, business areas and structural funds (ESIF)	More data from demand-side	Adaptation of TED form related to PCP/PPI-rules, more mandatory data input (e.g. CPV-Codes)	More detailed and reliable data on results on a timely basis

## Some Innovation Procurement data so far

Only little data on Innovation Procurement available,  
PCP/PPI pilots started end of FP7/CIP programmes

- Open Market Consultations
  - Involving between 70 to 300 companies and researchers per PCP
- Call for Tenders
  - Number of offers received typically between 10-48
- Contract award
  - 94 contracts awarded in total
  - Winning bidders involving 138 companies and 18 universities/research centres
  - Total value of the PCP procurements: between € 450.000 and € 9.000.000

[Source: DG CNECT]





# Innovation Procurement data available on diverse platforms

## Information about ...

- EU-policy
- Calls for proposal
- Calls for tender
- Projects
- Best practice cases
- Market opportunities
- Analytics & statistics
- National and regional developments
- Business to procurement events (B2P)
- Awards



*Business Support on Your Doorstep*





enterprise  
europe  
network

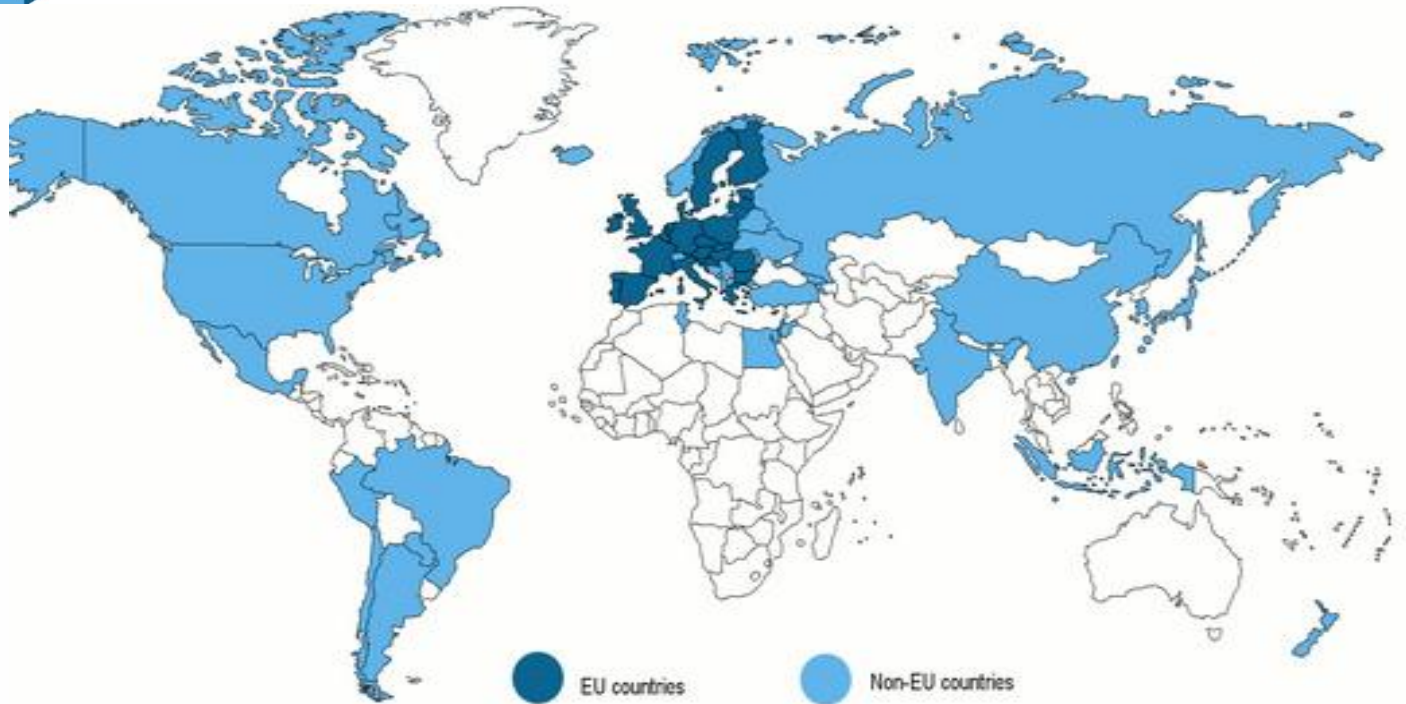
*Business Support on Your Doorstep*

THE  
WORLD'S LARGEST  
**support network**

FOR SMEs WITH INTERNATIONAL AMBITIONS

# Enterprise Europe Network (EEN)

around 600 organisations and over 5,000 experienced staff in more than 60 countries



All EU services from one source

[www.nrweuropa.de](http://www.nrweuropa.de)

© NRW.Europa 2018



## Relevance of EEN – Networking for innovative enterprises

- Enterprise Europe Network offers information on Innovation Procurement via **Thematic Groups (TG)** and **Sector Groups (SG)** for Industry, SMEs, RTOs and Universities
- **Public procurement** is one of the 13 horizontal areas of the thematic working groups as support for business innovation
- EEN offers **support for potential suppliers** in Innovation Procurement open market consultations and the PCP/PPI tender process, information on Innovation Procurement (e.g. SESAM project), B2P support, it also supports innovative ideas into international commercial successes and offers events like Successful R&I in Europe with workshops on Innovation Procurement

# Example: Successful Innovation Procurement PCP-Participation PRACE-3IP – Advantages for a Company like E4



D.A.V.I.D.E. SUPERCOMPUTER  
(Development of an Added Value  
Infrastructure Designed in  
Europe)



- Cooperation of the Company E4 Computer Engineering with the University of Bologna
- Delivery of solution design, prototype and testing separated into three PCP-Phases
- Keeping IP rights
- Commercialisation of project results
- EU impact

Source: E4 Computer Engineering SpA, Italy

**RA Anne Müngersdorff**  
**Zentrum für Innovation und Technik in NRW - ZENIT GmbH**  
**Bismarckstr. 28**  
**45470 Mülheim an der Ruhr**

**mu@zenit.de**  
**+49 208 3000446**  
**www.zenit.de**

**Thank you !**

[www.nrweuropa.de](http://www.nrweuropa.de)

