



DG GROW's activities in the field of health innovation procurement

GROW directorate C2

Unit Public Procurement Policy

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The Innovation Procurement Syllogism



Innovation is key to the economic recovery, the twin green and digital transition and the resilience of the EU



Public **procurement** is the main channel for most public investment in recovery times and under the Recovery and Resilience Facility.



Innovation Procurement is essential and has to be exploited further

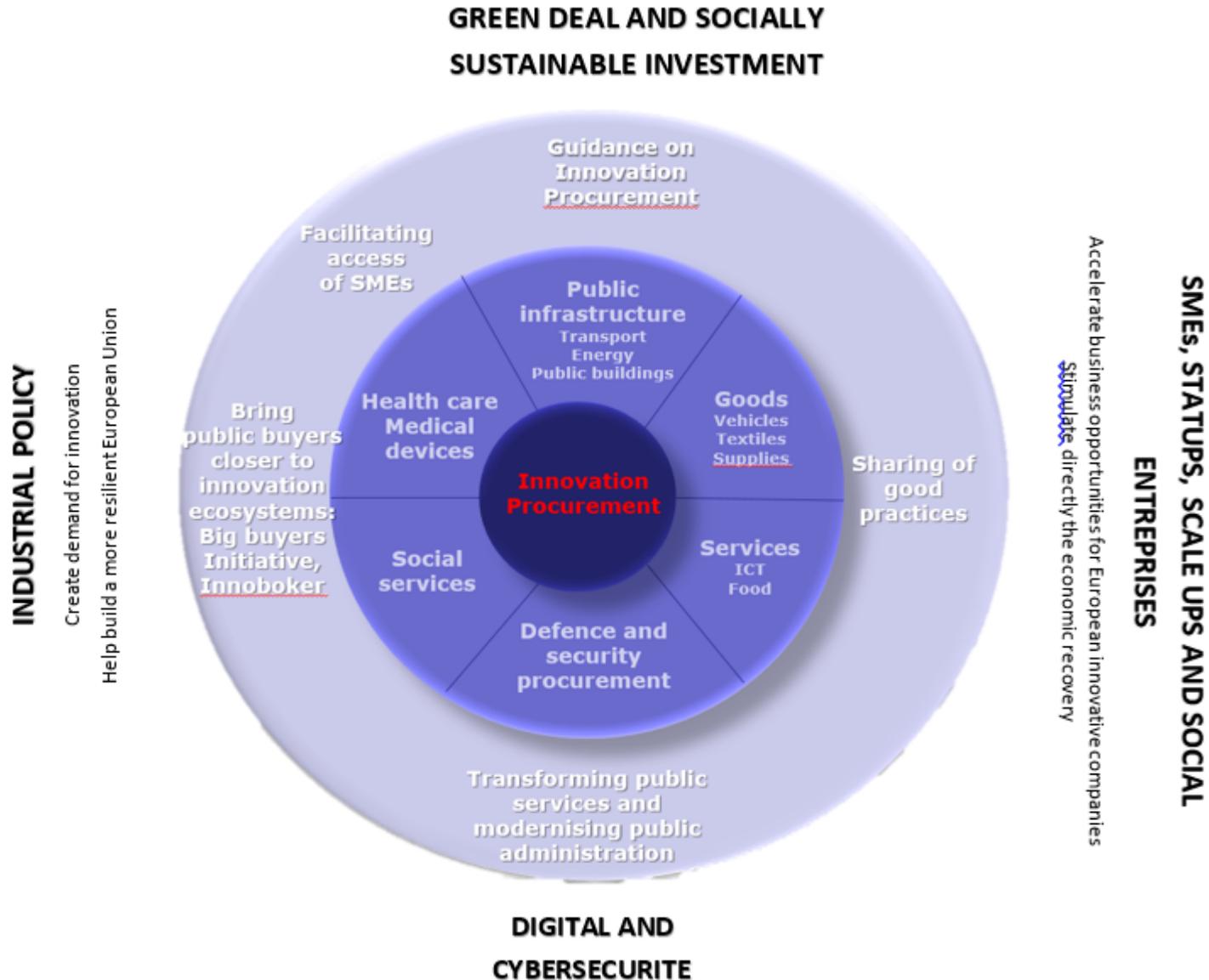
Innovation Procurement in the EU Framework

Public Procurement - Growth and jobs

- ✓ 14% of GDP in the EU, and between 6-25% in other countries
- ✓ €1,7 trillion of market opportunities in the GPA (including EU)



Innovation Procurement in the EU Framework



- 'Procuring innovation' is public procurement aimed at developing or purchasing innovative solutions.
- Innovative solutions may be new or highly improved products and services, but also new ways of working and organising.

Innovation Procurement is for SME's

Why it is important to help SMEs participate in public procurement?

1. The magnitude of the market and the opportunities it offers to companies
2. It pays off to have SMEs as suppliers
3. The challenges are more considerable for SMEs than for large companies.

Why a COSME project?

- ✓ Increase SME's participation to public procurement inside the EU
- ✓ Make use of the many opportunities negotiated by the EU on public procurement
- ✓ Build the capacities of intermediary organisations to help SMEs in this respect
- ✓ Contribute to the recovery from the COVID-19-related crisis and strengthen the resilience of the European companies

Implementation on the ground



- Call for projects to subsidize:
- ✓ All project-related activities: 90%
 - ✓ The purchase of the innovative solution resulting from the call for tender: 30%



Objectives and expected results

- The first objective is to **encourage cooperation between public buyers** to promote the use of public procurement to contribute to the development of innovative solutions able to tackle their needs.
- The second objective is to **increase the impact of public procurement on innovation.**
- As a result of the project
 - each public buyer is expected **to carry out at least one actual purchase**, either jointly with other public buyers of its consortium (preferred option for this call) or individually.
 - also expected **to contribute to an improvement in the efficiency of the provision of public services**

Building communities

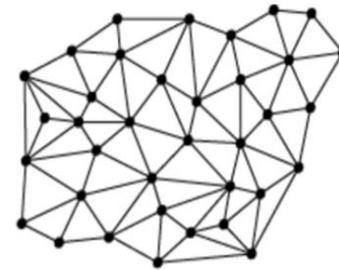


Collaboration between Big Buyers in Europe in strategic public procurement to help drive the market for innovative and sustainable goods and services

| | |
|--|--|
|  <p>1. Supporting innovation by providing test grounds for pilots</p> |  <p>2. Work on market consultations/ market dialogues at European level</p> |
|  <p>3. Share info on products availability, technical specs, results and price</p> |  <p>4. Joint market engagement, procurement criteria (i.e. how to evaluate the environmental ambition of tender offers)</p> |

Digital Public Buyers Platform

1. Distributive Network on Public Procurement
 - Public buyer/organisation – Public buyer/organisation
 - Public buyer/organisation – Commission



distributed

→ Use **collective intelligence** and **team up for joint action** on the topic

→ Through **Communities of Practice**



Building new knowledge

- Studies on how to price the value in Innovation Partnerships
 - [The theory of strategic options](#) - Prof G. Azzone
 - [Coopetitive pricing for innovation value](#) plus [The Rationale](#) - Prof P. Portier
 - [Estimating and negotiating approaches](#) plus [Rationales](#) - Prof R. Servajean-Hilst



The infographic is titled 'SCALE UP WITH THE PUBLIC SECTOR' and is divided into three vertical sections. The left section features a blue line-art graphic of a human profile and the title text. The middle section contains two paragraphs of text. The right section is enclosed in a purple border and contains three lines of text.

SCALE UP WITH THE PUBLIC SECTOR

PUBLIC PROCUREMENT DOES NOT MEAN ONLY BUYING, IT MEANS INVESTING

Public procurement rules are no longer only concerned with "how to buy" - they provide scope for incentives on "what to buy". The objective of spending tax payers' money well is gaining new dimensions, beyond merely satisfying the primary needs of public entities. With each public purchase, the public opinion is rightly interested to know whether the procured solution is not only formally compliant, but also whether it brings the best added value in terms of quality, cost-efficiency, environmental and social impact and whether it brings opportunities for the suppliers' market.

PUBLIC PROCUREMENT AS LEVERAGE FOR START-UPS AND START-UPS AS LEVERAGE FOR A BETTER WORLD

Public investment and innovation are two essential ways to meet the challenges of the recovery, the green and digital transitions and the creation of a more resilient economy in the EU. Start-ups are par excellence bearers of innovation. For this reason, especially through the entrepreneurial daring of a few it will be possible to rebuild a new world.

INNOVATE DIFFERENTLY

INNOVATE BETTER

INNOVATE WITH THE PUBLIC SECTOR

Thank you!!!!

If you need any support during the evaluation or if you have something to report please send an email to the call functional mailbox: EASME-COSME-PPI-2020@ec.europa.eu