



PROCURE2
INNOVATE

Strategic guidelines for planning a new competence centre for innovative procurement

procure2innovate
Grant Agreement No. 780192

DELIVERABLE 3.1
Enterprise Estonia, BME

FACT SHEET

This document will give recommendations for the new competence centres of the Procure2innovate project. The specific information gathered in this document will form the basis for deliverable 3.2. which will be directed towards the general public.

Document: Strategy for set-up of new competence centre

Responsible partner: EAS, BME

Work package: WP3

Deliverable number: D3.1

Version: 2

Version date: 30 Sep 2019

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PROJECT PARTNERS

1. BME: ASSOCIATION FOR SUPPLY CHAIN MANAGEMENT, PROCUREMENT AND LOGISTICS (DE)
2. BBG: FEDERAL PROCUREMENT AGENCY (BUNDESBESCHAFFUNG) (AT)
3. ZENIT: CENTRE FOR INNOVATION AND TECHNOLOGY IN ZENTRUM FÜR INNOVATION UND TECHNIK IN NORTH RHINE-WESTPHALIA (DE)
4. ICLEI: ICLEI EUROPEAN SECRETARIAT
5. UHM: NATIONAL AGENCY FOR PUBLIC PROCUREMENT (UPPHANDLINGSMYNDIGHETEN) (SE)
6. LEGAL, FINANCIAL AND ADMINISTRATIVE SERVICES AGENCY (KAMMARKOLLEGIET) (SE)
7. CONSIP (IT)
8. PIANOO: MINISTRY OF ECONOMIC AFFAIRS AND CLIMATE POLICY (NL)
9. MNEC: MINISTRY OF ECONOMY AND DEVELOPMENT (GR)
10. EAS: ENTERPRISE ESTONIA (ETTEVOTLUSE ARENDAMISE SIHTASUTUS) (EE)
11. BMWI: MINISTRY FOR ECONOMY AND ENERGY (DE)
12. CDTI: CENTRE FOR THE DEVELOPMENT OF INDUSTRIAL TECHNOLOGY (ES)
13. INTA: NATIONAL INSTITUTE OF AEROSPACE TECHNOLOGY (ES)
14. SARA BEDIN (IT)
15. ARVO: R&D SLUA LIMITED (IE)
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17. ISCIII: CARLOS III HEALTH INSTITUTE (ES)

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INTRODUCTION

Procure2innovate aims to improve institutional support for public procurers implementing innovation procurement in a range of sectors. It will do this by both establishing new competence centres for innovation procurement and enlarging the scope of support offered by existing competence centres. The network also has the objective of engaging and inviting more countries to join - now and in future.

Procure2innovate is a four-year long initiative, which began in January 2018, and is funded by the European Commission through the Horizon 2020 research and innovation programme.

Procure2innovate brings together a consortium of 17 partners from 10 countries: Austria, Estonia, Germany, Greece, Ireland, Italy, Netherlands, Portugal, Spain and Sweden. The project is led by the Association for Supply Chain Management, Procurement and Logistics (BME) in Germany, who together with the Innovation Agency, ZENIT, run the German competence centre for innovation procurement, KOINNO.

HOW TO USE THIS DOCUMENT

The goal of this document is to **agree to a common template** for the creation of a strategic plan for the new competence centre on innovation procurement between the members of the procure2innovate (P2I) project.

This guiding template is designed as **a support tool**, which aggregates and generalises previous experiences of the existing competence centres of Austria, Germany, Nederland, Spain and Sweden collected and analysed during the project. This template also provides an opportunity to compare the different approaches used by members of the P2I project who are going to create a new competence centre in



a similar framework, which should make the mutual learning process afterwards much easier.

It is also the operational step towards producing a **public guide** for a unified goal – creation of competence centre - after all the corresponding partners of P2I have placed their implementation strategies into practise.



THE PROCESS



The creation of new competence centre consists of two indivisible parts – **an action plan** for starting a new organisation and its first **strategic concept**.

The creation of the **strategic concept** may be one of the first activities of the new organisation, if the decision makers are ready to start financing in advance or if the competence centre is a spin-off of an existing organisation.

Nevertheless, eventually some measurable, feasible, and robust strategy is needed, often for decision-making itself, but in any case, to increase the impact of the new competence centre.

STEP ONE – BACKGROUND

Describe your local situation and compare it to the European competence centre experience.

The goal of this step is to describe the needs and opportunities for the competence centre in your country.

National, institutional and political situation

Ask the following questions:

- What policies are already in place for the innovation procurement?
- Are there any national action plans setting goals for those policies?

In **your strategy** Describe how exactly the goals are set and by whom, as it provides a workable framework for your goals. This process also helps to identify official stakeholders.

Based on previous experience from existing competence centres the main goals of policies in this field are:

- Foster demand/competitiveness of economy
- Support SMEs
- Pool public demand

- Increase credibility of public demand for innovation
- Use public sector as the first customer for innovative solutions

Identify all stakeholders who may have interest in the innovation procurement field and describe their role shortly. From experience of the existing competence centres they are:

- Public procurers and procurer associations
- Policy makers - politicians and bureaucrats
- Innovation agencies
- Suppliers and industry associations
- Universities and research institutions

Outline any kind of support activities like those of a competence centre that are already provided by organisations in your country, using the list below.

From the experience of existing competence centres in the P2I project, the main activities that **indicate** that an organisation is a Competence Centre of Innovation Procurement are:

- Consultancy for **innovation challenges**;
- **Support** for **pre-procurement phase** and **needs assessment** of innovative tenders via helpdesk, consultancy or other means;
- **Consultancy** for Pre-Commercial-Procurement (**PCP**) and different forms of negotiation procedures available in local procurement legislation, usable for procuring innovative solutions (**PPI**)
- **Promotion** of innovation procurement

Other activities that indicate an organisation is currently active in the Innovation procurement field:

- Issuing grants for innovation procurement
- General procurer support
- Support in identifying European funding opportunities such as Horizon2020

Describe the **situation and possible gaps** in the innovation procurement field in your strategic document and designate them as **needs and opportunities**.

Define **Innovation and innovation procurement** using local strategic documents and European examples.

The procure2innovate project suggests using the definition for innovation as outlined in the Public Procurement Directive 2014/24/EU:

“[T]he implementation of a new or significantly improved product, service or process, including but not limited to production, building or construction processes, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations inter alia with the purpose of helping to solve societal challenges or to support the Europe 2020 strategy for smart, sustainable and inclusive growth”¹

Innovation procurement is described by the European Commission as:

“Innovation procurement can drive the R&D and deployment of innovative solutions from the demand side through respectively pre-commercial procurement (PCP) and public procurement of innovative solutions (PPI). This can speed up public sector modernisation and open new market opportunities for companies in Europe. Coordination and support actions typically support procurers to investigate the feasibility and prepare the ground to start new PCPs or PPIs. PCP and PPI actions co-finance actual PCP or PPI procurements (one single joint PCP or PPI call for tenders or several separate but coordinated PPI calls for tenders per action) plus additional coordination and networking activities related to the procurement.”²

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024>

²

https://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/ftags/innov_proc.html#c,topics=flags/s/InnovationProcurement/1/1&+callStatus/asc

STEP TWO – GOALS

Define your **specific goals** based on the pan-European common goals, which were agreed to in the process of the project application. When doing so, consider and use the background information and goals of high-level strategies and policies of your country. In addition, it is recommended that those goals be built up following the established SMART principle:

- **Specific** – target a specific area for improvement.
- **Measurable** – quantify or at least suggest an indicator of progress.
- **Assignable** – specify who will do it
- **Realistic** – state what results can realistically be achieved, given available resources
- **Time-related** – specify when the result(s) can be achieved.

Describing the goals in the same fashion makes possible to compare them with other countries, opening a possibility for learning and mutual improvement.

A recommended methodology for defining the goals of your local competence centre would be to follow the “**spiral model**” sequence, adopted from the software development sector:

- Define and describe goals and ambitions
- Define actions and their possible results
- Define risks involved and ways to address them
- Calculate resources (money, human resources etc.) needed for actions and risk dispersion
- Compare the cost with possible results and goals, evaluating if the results are worth the price

Start with some **basic and vague ideas**, follow the sequence and describe the goals, actions, dispersion of risks and resources needed in any turn in **more and more detail**, as long as a desired balance between cost and benefit is achieved. Working and thinking in this manner, all the changes needed are implemented in the earliest occurrence, without investing a lot of time and effort by going into deep detail in some of the steps before it is sure that all the elements are working properly.



P2I common goal 1: Increased awareness of innovation procurement among procurers and policy makers

Helpful questions for the adaption of this goal:

- How high is the current awareness on innovation procurement?
- What are the indicators of it? Who measures it and how?
- What amount of public sector decision-makers declare that they know what the possibilities for innovative tenders are?
- Why should the awareness be higher? What do we want to happen because of higher awareness?
- What target group is most influential in delivering wanted results of higher awareness?
- What are the possible actions for raising the awareness?

It is likely you will need to answer these questions for more than one underlying goal for your competence centre. The following common goals of the procure2innovate project go into more depth.

P2I common goal 2: Enhanced capacity building for innovation procurement practices.

One way of finding the capacities lacking in your country is to use the capacity raising activities of existing competence centres in other countries as examples.

Those activities are:

- Guidance documents
- Web helpdesk
- Teaching procurers and public sector decision makers in the field of innovation and/or technical means of tendering
- National procurement strategy as a basis to agree on common goal of innovation procurement
- Collecting and spreading best practises
- Innovation awards
- Supporting grants for procurers/suppliers
- Innovation broker service
- Horizon 2020 technical support
- Consultancy for innovation challenges

Helpful questions for the adaptation of this goal:

- What capacities have the highest potential for changing the actual behaviour of procurers? Which of them are of key value and which are nice to have?
- Who should the capacity raising actions target? Who are the most important clients?
- Is there a more effective way to achieve desired results?

P2I Common goal 3: **An increased number of innovative public tenders** describes a desired result of all possible actions, like awareness raising or capacity building of a competence centre.

This is likely a key goal, especially for political decision-makers and is probably only indirectly achievable, unless the competence centre itself is the central purchasing body of the country.

Helpful questions for the adaptation of this goal:

- What indicates that a tender is innovative enough to be considered innovation procurement?
- What is the current level of innovation procurement in the country?
- How to measure it now and in the future?
- What is the percentage of tenders, which procurers find their procurement to be innovative?
- Are the results of other actions well connected with this goal? Is there something missing? Is there something not needed?

In addition, there may be a need for additional goal descriptions. If possible, it should be also considered to measure **the amount of public money spent** for procuring the innovative solutions of all public expenditure to have a better indicator of the impact on society.

P2I Common goal 4: Increased participation of public procurers in Horizon 2020 and ESIF funded projects.

This goal mostly needs measuring and actions, similarly to the goal of raising awareness.

Finally, add some of your own **national goals** in the same manner to your strategic document. It is the most important part for mutual learning and has the highest potential of adding some new service like innovation mentorship to the toolboxes of all the partners of the project.

STEP THREE – ACTION PLAN

Following the guidelines described above, you should end up with not only well-defined goals, but also with a preliminary **action plan**, rough **budget** and required amount of **human resources** for your competence centre. Those are the main things decision makers should ask for before launching the organisation. As any launch involves risks, it may be reasonable to select only a **minimum set of actions** to start with and plan the launch of others later.

Helpful questions for selection:

- How easy is it to start this particular action?
- Are there any dependences, anything that must already change before something can be done?

- How much visibility and credibility will the offering of this particular action achieve?
- How costly is it?

Many, if not all possible actions can also be (a set of) services, offered by the competence centre. There are many methods of describing them, use your favourite one. Add all necessary **support measures**, with their costs and resources, like:

- A web-page, social media and other communication devices
- Networking events, conferences and fairs
- Recruitment of personnel
- Capacity building of the personnel of the competence centre

Using the background information about different existing players in the innovation procurement field, consider and argument the **type of organisation** of your competence centre:

- Is it reasonable to form an independent organisation?
- Should it be a part of the central purchasing body?
- Should it be a part of an innovation-oriented organisation?
- Should it be a network of organisations (like in Finland)?

Finally, plan a **5-year timeline** using the Gantt diagram, describing when each activity will be launched, what are the dependencies, and when the first measurable results will be achieved.

To check if everything is covered in your strategic planning and description of competence centre, try to find answers for the following questions from this document:

- **WHY** does the competence centre need to be set up?
- **WHAT** constitutes a successful set-up for the new competence centre?
- **WHO** is the main target audience of the competence centre?
- **WHERE** is the biggest potential for impact?
- **WHEN** will first results be available? What is the general timeline?
- **HOW** will these results be achieved?

If **you were able to answer all of the questions above**, then you have achieved the goal of this guide and produced a strategic document, which should be very useful for winning the **stakeholders support** and getting a **political mandate, financing** and to actually start with a new competence centre.

Godspeed! 😊



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This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 780192.

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