

# Deliverable 3.1.1

## Report on international technical events

WP3 – Studying  
Activity 3.1: Establishing  
MED PPI Network  
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**Interreg**   
*Mediterranean*

 **Prominent MED**

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## Content

### Sommario

Introduction .....	4
Content and key figures.....	4
<b>FIRST INTERNATIONAL WORKING SESSION - ITALY.....</b>	<b>5</b>
LOCATION AND DATE .....	5
TYPE OF EVENT.....	5
GOAL OF THE EVENT.....	5
PARTICIPANTS.....	5
AGENDA .....	6
SPEAKERS PROFILE.....	6
CONTENT .....	7
CONCLUSIONS .....	13
<b>SECOND INTERNATIONAL WORKING SESSION - SPAIN .....</b>	<b>14</b>
LOCATION AND DATE .....	14
TYPE OF EVENT.....	14
GOAL OF THE EVENT.....	14
PARTICIPANTS.....	14
SPEAKERS PROFILE.....	14
CONTENT .....	16
CONCLUSIONS .....	18
<b>THIRD INTERNATIONAL WORKING SESSION - PORTUGAL .....</b>	<b>19</b>
LOCATION AND DATE .....	19
TYPE OF EVENT.....	19
GOAL OF THE EVENT.....	19
PARTICIPANTS.....	19

AGENDA .....	20
SPEAKERS PROFILE.....	20
CONTENT .....	22
CONCLUSIONS .....	24
FOURTH INTERNATIONAL WORKING SESSION – FRANCE .....	26
LOCATION AND DATE .....	26
TYPE OF EVENT.....	26
GOAL OF THE EVENT.....	26
PARTICIPANTS.....	26
AGENDA .....	27
SPEAKERS PROFILE.....	28
CONTENT .....	30
CONCLUSIONS .....	38
FIFTH WS: THE INTERNATIONAL WEBINAR.....	39
LOCATION AND DATE .....	39
TYPE OF EVENT.....	39
GOAL OF THE EVENT.....	39
AGENDA .....	39
PARTICIPANTS.....	39
CONTENT .....	40
CONCLUSION .....	44
<i>Documents presented during the webinar are available on the procurement forum here.</i> .....	44
<i>Video recording of the webinar: click here.....</i>	44
Conclusion.....	45

## Introduction

The main objective of the Prominent MED project is to ensure dissemination and market uptake of Public Procurement of Innovation (PPI). Five international working sessions have been organised in 2016, 2017 and 2018 to exchange knowledge and best practices around PPI. The MED PPI Network which was shaped and launched as an output of those sessions is bringing together all actors with an interest in innovation procurement including local authorities, public bodies, SMEs, experts and academia. It provides a virtual meeting, networking, learning and peer exchange space to enhance understanding and capability, build collaborative partnerships and support the wider uptake of pro-innovation approaches to public procurement in the MED region and beyond.

Constituting the MED PPI network can be done via physical meetings but also online channels such as the [Procurement Forum](#). As of May 2018, the platform has 52 participants. The [LinkedIn](#) social media is also an interesting dissemination channel and exchange platform on PPI, the group created for this purpose has 64 members as of May 2018.

This document shows the progress of the awareness raising on the topic of PPI.

## Content and key figures

The first international working session took place in Italy (November 2016) with a focus on the discovery of the PPI, its strengths and weaknesses discussed with experts (both Italian and international). It was an interactive workshop with 24 participants from various countries of Europe.

The second international working session took place in Spain (March 2017) and was the opportunity to talk about a pilot experience of PPI taking place in the region and to get knowledge about nearby innovation procurement best practices. The workshop attracted 24 participants from different countries.

The third international working session took place in Portugal (July 2017) and addressed the market consultation phase with various case studies presented by the partners involved in Prominent MED. Experts outside of the projects were invited to get insight on PPI experiences. Their presence highlighted the importance of building a network to raise awareness on PPI for small municipalities. This event gathered 23 participants.

The fourth international working session took place in France (January 2018). The aim of this event was to officially launch the MED PPI network bringing together all actors with an interest in innovation procurement including local authorities, public bodies, SMEs, experts and academia. This international working session provided an opportunity for this embryonic network to come together, share experience from SMEs and meet experts in innovation

procurement. The event attracted 27 participants both from the countries involved in the project and from countries working on other European projects.

The fifth and last international working session consisted in a webinar organised in February 2018. This event gathered 62 participants from Europe around the topic of market engagement in PPI with several case studies.

All the events are contributing to the main objective of the project: creating a community sharing best practices around public procurement of innovation to stimulate innovative solutions for energy retrofit of small Mediterranean communities.

## *FIRST INTERNATIONAL WORKING SESSION - ITALY*

### LOCATION AND DATE

Ref. WP: 3.1	Partner: Sviluppo Umbria	N°. of event: 1
Country: Italy	Place: Terni	Date: 30/11/2016

### TYPE OF EVENT

International working session: open interactive session

### GOAL OF THE EVENT

The purpose of this event, held during the kick off meeting of Prominent MED project, was to give to all the partners a first overview of what means dealing with and setting up a public procurement of innovation procedure (PPI).

The event was articulated in two phases:

- SWOT analysis: elaborated by project partners divided per country to identify Strengths, Weaknesses, Opportunities and Threats represented by Prominent MED
- The experts respond: in which the invited external experts interacted with project partners, commenting the results of the SWOT analysis and giving suggestions and concrete examples based on their experience on how to deal with PPI.

### PARTICIPANTS

#### **Local authorities**

1. City of Koprivnica – Croatia
2. City of Narni – Italy
3. City of Terni - Italy
4. Consorci de la Ribera – Spain
5. CIMBAL – Portugal

### **Business support organizations/local agencies**

6. Sviluppumbria – Italy
7. Regional Energy Agency North – Croatia

### **Research organisations**

8. Polytechnic University of Valencia – Spain
9. Fondation Sophia Antipolis - France

### **Companies**

10. IrRADIARE– Portugal

### **Experts**

11. Francesco Molinari – Expert - Italy
12. Ana Lucia Jaramillo – Corvers Procurement Service BV - Netherlands
13. Simona G. Agger – Ecoquip - Italy

## **AGENDA**

15:00-15:30	<b>Welcome by Sviluppumbria and partners presentation</b>
15:30-15:45	<b>Prominent MED at a glance (Diego Mattioli for Sviluppumbria)</b>
15:45-16:30	<b>Open interactive session: SWOT analysis</b> Each partner will be asked to identify Strengths, Weaknesses, Opportunities and Threats represented by Prominent MED
16:30-16:45	<b>Coffee break</b>
16:45-17:45	<b>The experts respond:</b> (with the participation of) <ul style="list-style-type: none"> <li>• <b>Mr. Francesco Molinari</b></li> <li>• <b>Mrs. Simona Agger</b></li> <li>• <b>Mrs. Ana Lucia Jaramillo</b></li> </ul>
17:45-18:00	<b>Questions and Answers</b>
18:00	<b>End of the meeting session</b>

## **SPEAKERS PROFILE**

### **Diego MATTIOLI**

Diego MATTIOLI is an expert in European funded projects on sustainable energy, climate mitigation and adaptation, environmental protection, biodiversity and nature conservation. In particular, he is working in the framework of the following EU Programs: Life, H2020, Interreg MED, Europe, Adrion, etc.

Within Prominent MED project, he is following for the LP Sviluppumbria the whole project life cycle from the designing to the technical and financial management and the final reporting and accounting.

He is a lecturer in masters and international workshops and seminars on EU project planning and management with Italian Universities and Master Schools.

**Francesco MOLINARI** 

Francesco MOLINARI is a researcher and an expert on innovation, pre-commercial procurement (PCP) and public procurement of innovation (PPI) supporting public authorities and private entities on these topics.

In particular, it has been the coordinator in 2010-2012 for the Department of Cohesion Policy at the Italian Ministry of Economic Development and the Agency for Innovation of a State Region Working Group aimed at establishing PCP in the government practice.

He was also visiting professor at the University of Ulster, Ulster Business School, Department of Management and Leadership, and Professor in the College of Europe of Parma.

**Simona GANASSI AGGER** 

Simona GANASSI AGGER, Architect and Urban Planner, is an expert of the Italian Health Ministry in Investments.

She has been involved in several EU projects, among them: the IEE – Intelligent Energy Europe Project RES\_Hospitals aimed to provide European hospital stakeholders with the tools to make the best energy-related decisions; the EU Project EcoQUIP, co-financed by the DG Growth, focused in giving assistance to the Hospitals Agencies in applying Innovation for advancing functionality and sustainability and the project “Marte” promoting contracts of Energy Performance – EPC, mobilizing investments in healthcare buildings energy retrofitting, in order to reduce the buildings energy demand and disseminate new financing models.

She was also the Chairman of the Board (2015-2016) of EuHPN - European Health Property Network, in which she represents SIAIS, the Italian society of Architecture and Engineering in Health.

**Ana Lucia JARAMILLO** 

Ana Lucia Jaramillo is an expert in alternative dispute resolution with 17 years of experience as facilitator and mediator in public and private cases, at several mediation centers, the chambers of commerce, and as the director of the mediation center in the courts of Ecuador. Since 2013 she is a senior legal researcher at Corvers International, a leading legal dutch company in Europe in the area of procurement, innovation, IPR and contracting and assisting the Dutch government in several large and complex ICT-procurement projects. Since January 2014 she is also a member of the International Council of Commercial Arbitration (ICCA).

She has been a docent and lecturer at the Simon Bolivar Andean University, the San Francisco University of Quito, the Central University of Ecuador, The Hague University of Applied Sciences and the Tor Vergata University of Rome and conducts research on innovation at the University of Leiden in the Netherlands.

**CONTENT**

During this first International working session the Prominent MED partners met for the first time in Terni (Italy) in the occasion of the kick off meeting.

Considering that dealing with Public Procurement of Innovation (PPI) was an unexplored field of experience for almost all partners, the main idea beyond this first event was to start to

examine in depth the matter with an open interactive section during which all partners have the chance to illustrate what they expect from Prominent MED project, to clarify some doubtful points and to find potential opportunities connected to the project.

This process has been facilitated by the presence of three experts in pre-commercial procurements and public procurements of innovation at European and International level that directly interacted with the partnership, underlying the key points of the PPI setting up process to be kept in mind and presenting some best practices experiences as examples.

## **1) GENERAL OVERVIEW**

### **1.1) Prominent MED at a glance**

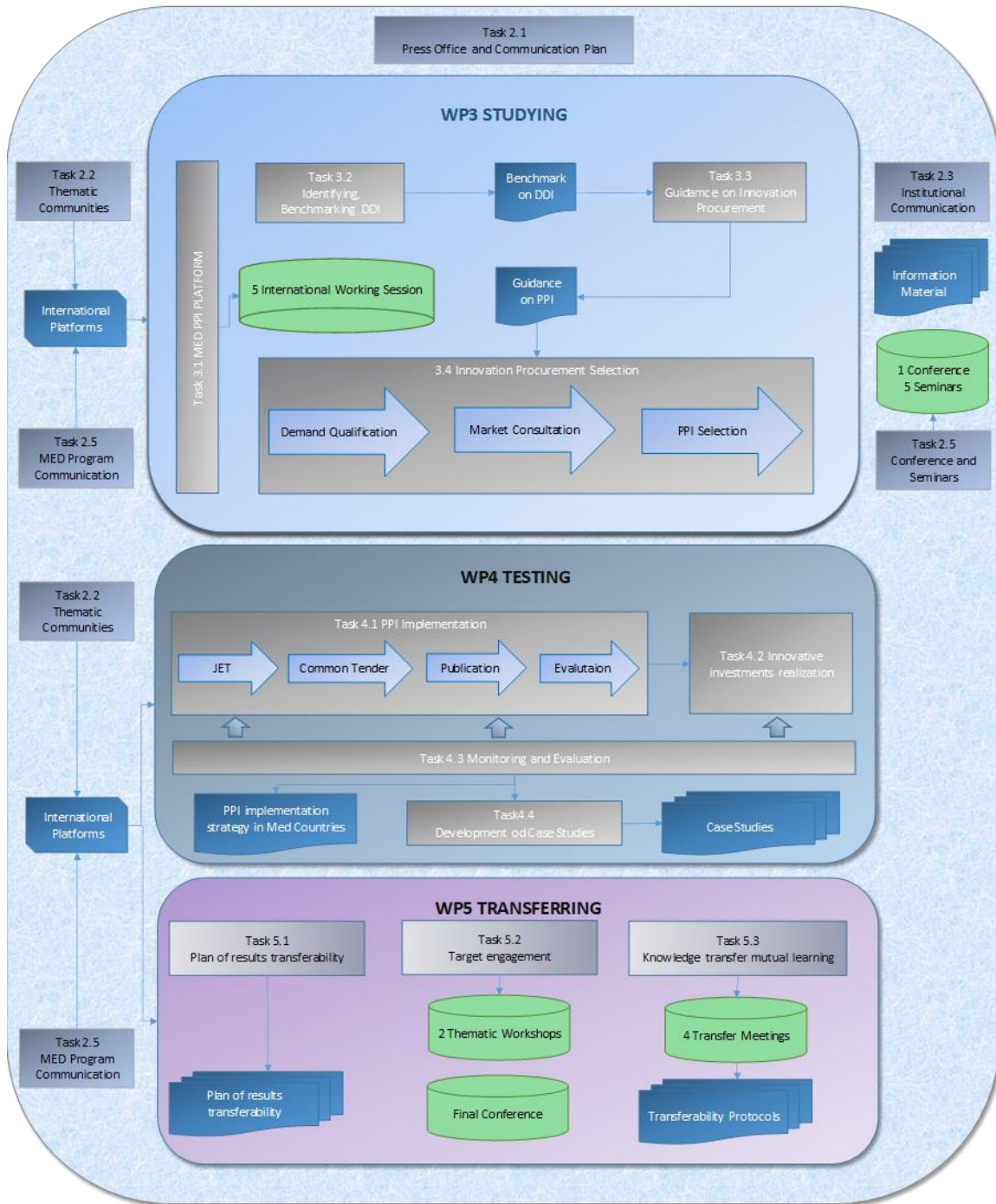
Diego Mattioli, representing the Lead Partner Sviluppumbria, opened the session with a presentation clarifying the subject of Prominent MED project: the public procurement of innovation answering the questions: when, what, how.

- **When:** The PPI challenge requires solution which is almost on the market or already on the market in small quantity but not satisfying public sector requirements for large scale deployment yet.
- **What:** The public sector acts as launching customer/early adopter/first buyer for innovative products and services that are newly arriving on the market (not widely commercially available yet)
- **How:** The public sector acts as facilitator establishing a buyers group with critical mass that triggers industry to scale up its production chain to bring products on the market with desired quality/price ratio within a specific time.

Then he went through the differences between a public procurement of innovation and a pre-commercial procurement, giving a first overview of the main procedures that should be selected to realize the investments foreseen in the project and the main steps that has to be carried out to choose the one that fits each partner needs. These topics have been then examined in depth by the three invited experts.

Then he illustrated to the partners a chart-flow with the basic structure of Prominent MED project with a focus on how the Modules composing the project are interconnected with each other and also how the communication activities should be strictly related to the technical steps to be carried out.

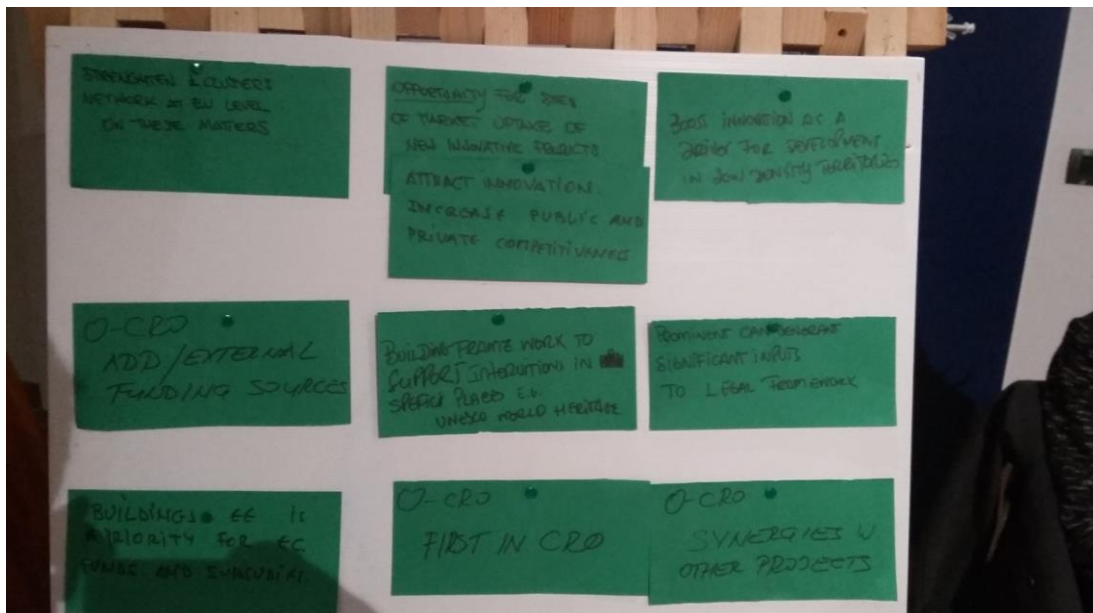
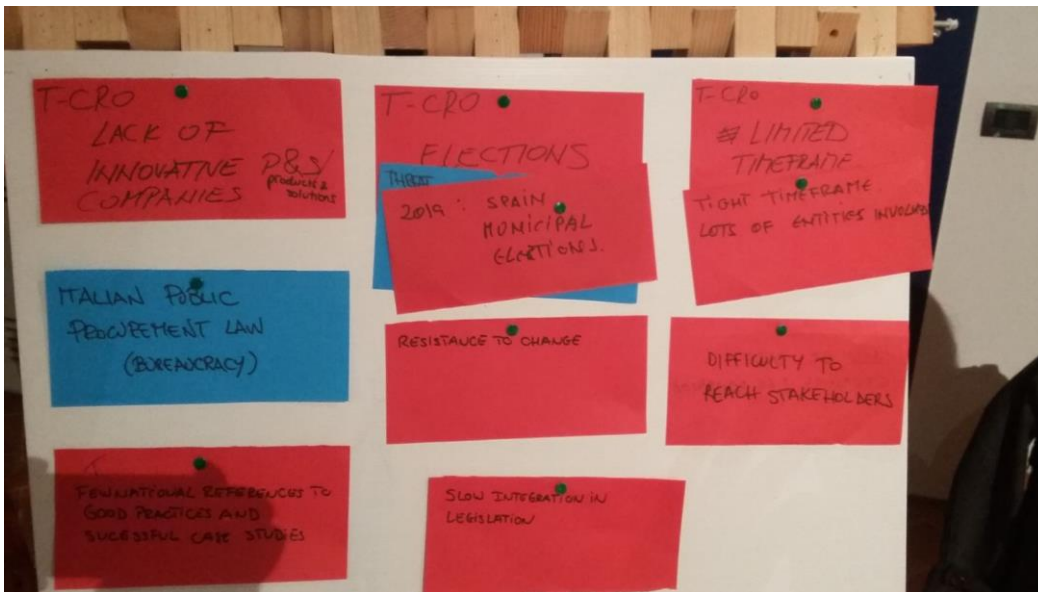




## 2) OPEN INTERACTIVE SESSION: SWOT analysis

During this session partners were divided in groups per country and were asked to perform a SWOT analysis connected to Prominent MED project.

Cardboards of 4 different colours were distributed to each group on which they had to include strengths, weaknesses, opportunities and threats related to the project and also to the specific country context.



After a fruitful discussion with all project partners actively involved, the main results of the SWOT analysis can be summarized as follows:

### **Strengths**

- In each country the National “environment” is in favour of innovation;
- The concerned Regional Authority are open to changes;
- There is a good level of dialogue between universities and other innovation centres.

### **Weaknesses**

- The modernization process of the public sector is slow;
- Typical public procurement processes don’t encourage the innovation;
- The dialogue between public sector and innovation actors is still weak.

### **Opportunities**

- Prominent MED can generate significant inputs for the pre-existent legal framework;
- Innovative procedures could support interventions in specific spots e.g. UNESCO world heritage;
- The boosting of the innovation could be a driver for territories development.

### **Threats**

- There is a lack of consistency in National regulations;
- There is a high resistance in using new public procedures instead of the ordinary/traditional ones;
- There are only a few national references to good practices and successful case studies of public procurement of innovation.

## **3) THE EXPERT RESPOND**

The experts took active part in the SWOT analysis, supported the partners in the whole process, answering to their doubts and giving useful suggestions on how to implement the PPI setting up process. The working session was conceived as a continuous exchange of suggestions and inputs with a direct interaction among project partners and the invited experts.

**Mr. Francesco MOLINARI**, starting from his own experience for the Italian Government and in support of local authorities, welcomed the ambitious aim of Prominent MED project.

Indeed, he underlined that there is a growing attention in Italy and in the rest of Europe on the strategic use of public procurement to purchase works, goods or services to promote a sustainable, innovative and inclusive growth.

The question is key for the future of Europe, given that public procurement accounts for about 19% of GDP in the EU.

For this reason, fostering the cooperation between universities and research entities, private sector and public administrations, is a key point to favour the use of these new procurement procedures defeating the general scepticism and prudence that pushes local administrators, in particular in small municipalities, to go on using the traditional procedures even if not exactly responding to their present needs.

Innovation in public purchasing is the best weapon for improving Europeans life and lead the world to a sustainable development.

**Mrs. Simona GANASSI AGGER** focused her intervention both on the PPI and on the selected field of intervention. Indeed, she has been involved in several projects dealing with new financing model and energy performance of public buildings, in particular in the health sector. She presented two experiences carried out in the framework of European Project: RES-Hospitals (concluded on 2013) and EcoQUIP (Pursuing Efficiency, Quality, Sustainability in Healthcare through Public Procurement of Innovation - 2012-2016).

The example of RES-Hospitals gave to the partners some key elements on how to encourage the small municipalities, in which the pilot intervention will be realized, to be more strategic and sustainable about renewable energy opportunities at community level and on how legislative, economic and technical barriers could be overcome.

The example of EcoQUIP added important information regarding how to deal with Public Procurement of Innovation. There is no “one size fits all” approach to Public Procurement of Innovation. Different steps and procedures will be involved depending on:

- the need,
- the contracting authority,
- and the market sector.

Partners had also the chance to start to get familiar with the main steps of a PPI process setting up which will mark out the work of upcoming months. Indeed, even if the procedure is flexible and can be adapted to the specific features of each pilot intervention, some common features can be identified and summarized as follows:

1. Identification of needs and opportunities;
2. Market Engagement;
3. Developing of a business case;
4. Selection of the PPI procedure that fits the municipality needs.

With **Mrs. Ana Lucia JARAMILLO**, PPI have been addressed also from a legal point of view. Agreeing to what said also by the other experts, she focused the attention on the main features of European Procurement Directives.

The 2014 European Directive included the following provisions that are relevant for PPI:

- Streamlining of documentation requirements at selection stage;
- Exemption for R&D services;
- Rules on preliminary market consultation;
- Functional and performance-based specification;
- Ability to apply environmental and social criteria and take life-cycle costs into account;
- Rules on joint procurement;

- Reporting on public procurement of innovation and SME involvement.

Furthermore, it includes the following innovative procedures:

- Innovation partnership procedure;
- Competitive procedure with negotiation;
- Greater availability of competitive dialogue.

Clearly, for the implementation of Prominent MED project, each country has to comply also with their National regulation and, in particular, on how the Directive has been acknowledged by the National legislation.

Mrs. Jaramillo also introduced the *eafip* “*European Assistance for Innovation Procurement*” initiative, aimed at explaining innovation procurement through the clarification and demonstration of the principles and the benefits of innovation procurement and providing best procurement practices for the implementation of innovation procurement projects.

## CONCLUSIONS

This first International Working Session put the bases for all the work that the partners have to carry out within Prominent MED project.

The event stimulated a valuable exchange among project partners and external experts: partners got the chance to solve their first doubts, to have a clear overview of what it is expected from them within this project and to start thinking on how set up all the process in their respective country.

The main lessons learned can be summarized as follows:

- Small Municipalities have lack of knowledge both in legal and technical matters and need specific support from external experts attuned to their needs;
- In particular in Med Countries, the complex regulatory framework may jeopardize the possibility to use innovation procurement;
- Innovation is a key element to boost the development of territories and it is highly recommended by the European Union and related initiatives;
- There isn't a wide knowledge on how to use and set up a PPI procedure, and in this sense, Prominent MED will act as a pilot experiment in the involved countries/partners.

## SECOND INTERNATIONAL WORKING SESSION - SPAIN

### LOCATION AND DATE

Ref. WP: 3.1	Partner: Ribera Consortium	No. of event: 2
Country: Spain	Place: Alzira (València)	Date: 22/03/2017

### TYPE OF EVENT

Spain International Working Session - Prominent Med and PPI stakeholders and framework

### GOAL OF THE EVENT

The present event is part of the MED PPI Network creation activities (activity 3.1) and the idea is to bind together different international/national/regional stakeholders working or eager to promote Public Procurement of Innovation (PPI) and to position Prominent Med project as a project/tool to achieve different EC objectives (EE in buildings, innovation, etc) and a best practice to replicate in other small municipalities.

This event was the opportunity to raise the voice and let different PPI relevant actors know that a pilot action had been launched in Alzira.

The event programme details were as follows:

- Prominent Med project presentation.
- Public Procurement of Innovation (PPI). National/regional Funding opportunities.
- Regional (Comunitat Valenciana) relevant experiences in PPI framework.
- Experts' panel discussion.

### PARTICIPANTS

Local and regional Spanish authorities interested in promoting innovation from the municipal demand side were the main target group.

All Prominent Med project partners were invited to attend the meeting with the aim of getting the knowledge basis about PPI.

### SPEAKERS PROFILE

**Plàcid Madramany** (Energy Department – Consorci de la Ribera)

Consorci de la Ribera Energy Department Director. He is coordinating the PROMINENT MED project action of Spanish pilot. His most relevant experience is focused on designing and management of renewable energy (RES) and energy efficiency (EE) strategies and projects at local (municipal), regional and EU level (e.g IEE or MED programme), as well as promotion and preparation of sustainable energy strategies. Joint procurement of la Ribera municipalities and

Energy Performance Contract (EPC) procedures are some of the innovative solutions developed.

**Begoña Serrano** (Institut Valencià de l'Edificació IVE – Valencian Building InstituteVE).

Institut Valencià de l'Edificació (IVE) Director. Valencian Institut of Building mission is to facilitate sustainable and smart growth in the built environment of the city, through innovation, to improve the quality of life of citizens. IVE is a foundation of public interest subject to private law. The mission of IVE is: i. To facilitate sustainable and smart growth in the built environment of the city, through innovation, to improve the quality of life of citizens; ii. To improve processes related to building and urban space, promoting research and improving training of professionals to achieve levels of quality, sustainability, safety, accessibility and durability commensurate with the needs of society; iii. To ensure the competitiveness of industry players: institutions, companies and professionals, and; iv. To analyze the building sector, its processes, requirements and costs, to be a center of knowledge of all aspects of building and urban space.

**Rafael Monterde** (Las Naves – Centro de Innovación - InnDEA).

Director of InnDEA. InnDEA is an entity promoted by the Valencia City Council, aimed at supporting and encouraging urban development through innovation under its various forms. InnDEA València acts upon the business system by promoting innovation in the city's productive sectors; upon the local administration by boosting the development of innovative apps to update urban services and to offer a more efficient response to the citizenship; finally, upon the city itself by transforming it into a sustainable, livable place, as well as an international benchmark.

**Sergio Serna** (ENERLIS TECHNOLOGY SL)

An Urban Strategic Planning Expert. Partner-Director of Enerlis Technology SL, is a manager with more than 13 years of experience in the sector of Consulting and Advanced Services, his professional activity experience is based on identification and definition of new projects and opportunities for our institutional and business customers in Competitive Improvement, Innovation and Development of Intelligent Territories. At the project development level, his participation as a Project Manager of the Technical Secretary, this offers technical assistance to the municipalities that take part in Red INNpulso Network. Likewise, in the area of PPI, he leads the team that provides technical advice to the Pilot Group of PPI, consisting of pionner local governments, such as, the City Council of Málaga, the City Council of Santiago de Compostela, the City Council of Valencia or the City Council of Madrid.CV licitació

**María Pilar Batet** (Diputació de Castelló – Castelló Provincial Government)

Head of Procurement and Purchasing Service of Castelló Provincial Council. She was responsible of the innovative procurement service launched to improve provincial council buildings energy efficiency by using a competitive dialogue procedure.

**Myriam Fernandez** (Director for General Financing and European Funds. Valencian Regional Government – GVA). General Director of Financing and European Funds department, she is in charge of coordinating regional state aids in Valencian Autonomous Community and the promotion of regional policy at the European Union framework.

## CONTENT

The main objective of the international working session public event was to make regional relevant actors known that a Public Procurement of Innovation (PPI) pilot experience was going to be conducted in la Ribera region and, on the other hand, to get knowledge about nearby innovation procurement best practices.

The event was opened by Plàcid Madramany (Ribera Consortium) who was in charge of detailing the objective and scope of the event and explaining the expected pilot action dealing with PPI and building energy renovation of 'Magatzem de Cucó' from the point of view of small & medium-sized Mediterranean municipalities. Special attention was paid to the procedure to observe in the pilot building whose users' needs and energy consumption baseline didn't exist because 'Magatzem de Cucó' was an abandoned building. He also gave details about the former Spanish cluster members: Politechnical University of Valencia, AVAESEN and Valencia research centers that would provide an overview of potential innovative actions/materials-processes in the market and finally determining the building renovation state-of-the-art. During the presentation was highlighted the importance of involving regional/national authorities interested in promoting public building refurbishment and/or PPI Funds & subsidies to leverage project own funds and to put together enough critical mass able to make the project attractive.

Afterwards, Diego Mattioli illustrates the event attendees with the basis of Prominent MED project with a presentation of the focus of Prominent MED on the use of Public Procurement of Innovation (PPI) to stimulate the adoption of innovative products to be able to improve the quality of public services for citizens, emphasizing that PPI will be related to innovative energy efficient solutions and processes for public building energy refurbishment. Then, he made reference to the different pilot buildings selected in every Med country and went into details about the singular roadmap to follow with this typology of public procurement where main phases are as follows: i. Building & users needs analysis; ii. Open market consultation with a preliminar dialogue with the solutions providers in order to discuss with the market possible technical solutions their feasibility, as well as, possible award criteria for the tender; iii. Identification and launching of the building refurbishment tendering procedure that would be selected according with different criteria: tender specification, scale of investments, possible contractors characteristics, etc, and; iv. PPI contract signature and investment realization and monitoring of the offer selected and the works assigned and realized.

First part of the event was a speech drove by Sergio Serna (Enerlis Technology SL) and Myriam Fernandez (Director for General Financing and European Funds of Valencian Regional



Government) who explained the basis of PPI and national/regional existing funding opportunities to carry out innovation procurement purchases of public entities.

Mr Sergio Serna as a Director of Enerlis Technology SL and responsible of 'Red Innpulso' Secretariat (the network of Spanish Science and Innovative cities promoted by the Spanish Science Ministry whose aim is to increase the innovation at local level with municipal policies). He described the 'Red Innpulso' and the title of "City of Science and Innovation" aiming to recognize the leading cities in the creation of competitive advantages thanks to the combination of intellectual capital and knowledge of their human resources with advanced local infrastructures of strong component scientific, technological and innovative.

In addition, this title recognizes the commitment of the city with the R & D & I and its contribution from the local level to the change of the productive model. He also pointed out that the city of Alzira forms part of the "Red Innpulso", which is the Network of Cities of Science and Innovation and works as a meeting forum for the distinguished city councils that allows to define and advance in innovative local policies and underlining that one of the main instruments to raise innovation is from a municipal point of view is PPI.

Ms Myriam Fernandez, Director for General Financing and European Funds of Valencian Regional Government, mainly explicated the relevance of innovation in the global economy and employment context and, concretely, gave details about the different regional supporting instrument such as subsidies and funds to support innovation procedures and specially the Public Procurement of Innovation (PPI). She provided an overview of how different regional and even national & European strategies embraces PPI such as Integrated Territorial Strategies, RIU ('Red de Iniciativas Urbanas') strategies, RIS3 strategy and EU programmes (LIFE, H2020, etc.) and other ERDF supporting tools. As well as, she explained that Valencia Regional Government was going to create the regional innovation agency in order to, among other objective, assist local authorities in attracting and pulling innovation through PPI.

The second part of the event was dedicated to public procurement of innovation best practices with the intervention of Ms M<sup>a</sup> Pilar Batet about Castelló Provincial Council energy efficiency on buildings competitive dialogue experience. Ms Batet is the Chief the department of purchasing and contracting of the Castelló Provincial Government and she gave some guidelines about the Spanish procurement regulation framework and how PPI is considered in public procurement laws. She particularly drew the draft of the new regulation of public procurement to be got into force in 2018 that transposed the EU Directives EU/2014/23/UE and EU/2014/24. Ms Batet also showed the experience of Castelló Provincial Government related to PPI/Green public procurement under a competitive dialogue procedure, explaining how the provincial government launched a procedure to increase the energy efficiency of several provincial government buildings following a competitive dialogue with private sector in order to find the most suitable or cost-benefit, economically and enviromentally, solutions.

Mr Rafael Monterde introduced InnDEA entity and their role within the València's smart city strategy. Since Valencia's development as a Smart City is one of the main priorities within the Valencia 2020 Strategy, a specific initiative called Valencia Smart City has been widespread among and shared with the city's main actors in the context of the Local Covenant for Innovation, and more specifically of the Objective 4 and the Strategic Thrust 5. The speaker described the approach of Valencia city to innovation as a local authority. Valencia's City Council, coordinated by its ICT service and supported by the InnDEA València Foundation, has been working on the creation of a smart and innovative strategy for the city. This strategy is founded in 6 pillars: Government (electronic administration, big data compilation and Geographic information services), Citizenship (transparency and citizen participation), Smart Services (public safety and tourism areas), energy & environment (climate change mitigation and adaptation, water saving and environment protection), Mobility (sustainable mobility) and R & D (EU projects, urban labs and local agreement for innovation). The second part of his intervention was focused on the experience of València city with the CEPPI project (acronym of Energy Efficiency through Innovation Procurement) an H2020 programme project aimed to build capacity in cities on how to achieve more sustainable energy solutions through a pro-innovation procurement approach. Particularly, one of the main outputs of the referred project in València city is the launch of a public procurement of innovation to increase the energy efficiency and reduce energy consumption of a fire station facility.

The last speaker was Ms Begoña Serrano, Director of Valencia Institute of Building (IVE) that showed the innovative construction and services developed by IVE and Valencia Regional Government. Ms Serrano explained how and what tools have IVE available for local authorities with the purpose of developing building renovation applicable solutions to the urban and climatic challenges of Valencia Region; ii. To provide with integrated solutions for urban systems, infrastructure and resource flows, helping to establish a climate resilient city. Finally, a typical time for questions and comments was dedicated.

## CONCLUSIONS

As it was planned, this working session was the first step of PROMINENT MED Spanish pilot and it was necessary to spread project information away. Most of the local authorities devote to innovation public procurement were attending this public event, so the creation of networking that was one of the most important objective, was achieved.

At local level, local authorities are showing their interest in PPI procurement tool, as a way of gathering additional funding and subsidies to renovate municipal facilities. So, main interest of local stakeholders was to have an overview of the different financial opportunities that Spanish national or regional government deployed.

On the other hand, Valencia Regional Government innovation priorities embraces the PPI as a tool to increase public services efficiency and are promoting the adoption of PPI as a daily method to purchase works and services.

## THIRD INTERNATIONAL WORKING SESSION - PORTUGAL

### LOCATION AND DATE

Ref. WP: 3.1	Partner: IrRADIARE	No. of event: 3
Country: Portugal	Place: Lisbon	Date: 06/07/2017

### TYPE OF EVENT

International working session

### GOAL OF THE EVENT

After two interesting and fruitful international working sessions, the Prominent MED partners got back together to work actively in a working session on the 6<sup>th</sup> of July.

The main goal of this international working session was to discuss about the market consultation phase and the Med PPI Network. The international working session provided an opportunity for the partners to learn about innovation procurement through the presentation of case studies and to share experiences and present the current situation of each country's pilot case. Also, this session was an opportunity to partners to share the main difficulties in this process, and brainstorm on possible ways to overcome these difficulties.

### PARTICIPANTS

Local authorities:

1. City of Koprivnica – Croatia
2. Sviluppumbria – Italy
3. City of Narni – Italy
4. Consorci de la Ribera – Spain
5. Regional Energy Agency North – Croatia
6. CIMBAL – Portugal

Research organisations:

7. Polytechnic University of Valencia – Spain
8. CSTB – France
9. University of Patras – Greece

Companies:

## 10. IrRADIARE– Portugal

### Experts:

- 11. AD&C - Portugal
- 12. Corvers - Netherlands
- 13. Bizob - Netherlands

## AGENDA

**09:15 – 09:30** Presentation of the International Working Session - 1<sup>st</sup> Session on Market Consultation Phase

**09:30 – 10:15** The Market Consultation phase: contents, approaches, key risks and example of success

**10:15 – 10:30** Q&A

**10:30 – 10:40** Coffee Break

**10:40 – 12:00** Open interactive session

**12:00 – 13:00** Peer review session

**13:00 – 14:00** Lunch

**14:00 – 14:15** Presentation of the International Working Session - 2<sup>nd</sup> Session on PPI MED Network

**14:15 – 16:00** Introduction to the PPI Network

**16:00** End of the meeting session

## SPEAKERS PROFILE

### **Ana Lucia JARAMILLO**

Ana Lucia Jaramillo holds a Master degree in 'International and European Law' from the University of Amsterdam and is a Juris Doctor from the Pontifical Catholic University of Ecuador. She completed the program on leadership and governance at the Business School of Ecuador (IDE), and the program on political sciences of the US-Mexican Studies Centre of

the University of San Diego in California. At present, she is a senior legal consultant at Corvers Procurement Service B.V. working in the field of innovation procurement for the last five years, notably supporting the European Assistance for Innovation Procurement (eafip.eu), an initiative of the European Commission. She is also an external PhD at the Center for Law and Digital Technologies (eLaw) of the University of Leiden, conducting research on end-user and open innovation. She is also an expert in alternative dispute resolution with training in the theory and practice of the Harvard Negotiation Project and an experienced mediator in public and private cases at the chambers of commerce, and director of the mediation center in the courts of Ecuador. She was the executive director of the unity for judicial reform in Ecuador, and the deputy director of the specialized unity for public procurement of the Ministry of Interior Affairs. She has been an advisor in the Ministry of Justice and Human Rights, the Ministry of Interior Affairs, the Ministry of Tourism and the Council of the Judiciary of Ecuador. Ana Lucia has been a docent and lecturer at the Simon Bolivar Andean University, the San Francisco University of Quito, the Central University of Ecuador, The Hague University of Applied Sciences and the Tor Vergata University of Rome. As a consultant she has participated in diverse projects of international organizations such as the World Bank and the Inter-American Development Bank. She has provided assistance at the Diplomatic Mission of Ecuador in The Netherlands as a delegate to the Organisation for the Prohibition of Chemical Weapons, the International Criminal Court, the Permanent Court of Arbitration, and the Hague Conference on Private International Law.

#### **Plàcid MADRAMANY**

Plàcid MADRAMANY coordinates the PROMINENT MED project action of the Spanish pilot. His most relevant experience is focused on designing and management of renewable energy (RES) and energy efficiency (EE) strategies and projects at local (municipal), regional and EU level (e.g IEE or MED programme), as well as promotion and preparation of sustainable energy strategies. Joint procurement of la Ribera municipalities and Energy Performance Contract (EPC) procedures are some of the innovative solutions developed.

#### **Diego MATTIOLI**

Diego MATTIOLI is an expert in European funded projects on sustainable energy, climate mitigation and adaptation, environmental protection, biodiversity and nature conservation.

In particular, he is working in the framework of the following EU Programmes: Life, H2020, Interreg MED, Europe, Adrion, etc.

He is following the whole project life cycle from the designing to the technical and financial management and the final reporting and accounting.

He is a lecturer in masters and international workshops and seminars on EU project planning and management with Italian Universities and Master Schools.

#### **Elsa NUNES**

Elsa Ferreira NUNES graduated in Sociology in 1992. She completed an MSc in Sociology. Between 1995 and 2003 her occupation was fundamentally linked to training and training management. After that, she was involved in training and consultancy activity, especially at

IAPMEI (the Portuguese national institute to support SME). Since 2003 she performs management functions at IrRADIARE Ltd where she is also in charge of project management.

**Denis PREMEC** 

Denis PREMEC has 24 years of work experience, of which 15+ years of consulting and project management experience. He possesses technical and technology skills from various projects and energy sector, public and private. He has experiences with successful applications for national and EU funds for local and national Energy Efficiency and ReS public projects, including health sector, but also has experiences in the field of implementation and project management of the same projects and energy management consulting in various sectors.

**Eric ZWITSERLOOT** 

Eric Zwitserloot has a Bachelor degree in engineering. He has followed the NEVI purchase training and is a CPD board member. Since 2007 he performs procurement management function at BIZOB. Eric Zwitserloot has a broad experience in purchasing, both in the commercial and public sector. He has mainly worked as a manager within strategic purchasing. His activities included setting up and realizing programs for cost savings and setting up purchasing organizations at home and abroad. On behalf of the Ministry of Foreign Affairs, he gave training courses to potential new EU member states on procurement techniques and legislation and regulations for tendering in the public sector.

## CONTENT

The international working session was built in two parts. The first part was dedicated to the market consultation phase and the second part to the Med PPI Network. PROMINENT MED Project Manager introduced each part of session. The first part consisted in a presentation of the market consultation phase were contents, approaches, key risks and a success example was introduced by Eric Zwitserloot from Bizob.

In this first part an open interactive session occurred. A representative of each pilot was asked to present the actual state of the implementation of its pilot presenting a detailed planning of the foreseen activities, for the Market Consultation Phase. In this first part of the session, the Peer Learning Workshop provided an opportunity to go through the key critical aspects of this crucial phase and to activate an interactive dialogue among partner's representatives and international experts, allowing analysis of the specificities of each pilot, identifying common criticalities and discussing possible overcome strategies.

In the second part of the session the PPI Network was introduced and Ana Lucia Jaramillo from CORVERS and representing EASIF Network demonstrated how PROMINENT MED can collaborate with EAFIP and smaller MED municipalities can focus and develop tailored tools. Also, in this part of the session a discussion on the Procurement of Innovation Platform took place, focusing namely on the creation of a steady collaboration among the key EU platforms on innovation procurement and the PPI MED Network

## **1) Market Consultation Phase and PPI Network**

### **1.1) Public Procurement of Innovation - Eric ZWITSERLOOT (Bizob)**

Mr. Eric Zwitterloot started with a presentation of Bizob. After that, Mr. Eric Zwitterloot presented a solar project market consultation phase, highlighting objectives, ambitions and expected results to be achieved. The different phases of the market consultation were presented and also the long terms risks. In this specific point and in what regards the market consultation phase the needs identified consisted mainly in the need for improvement in what regards awareness of the end users, the need for financial means and know how. Regarding the long terms risks the major risk identified was the maintenance cost, the long-term power-output guaranty and the return electricity to energy company policies.

### **1.2) Innova0on Procurement in Action - The Business Case Methodology, & Case Study – Ana Lucia JARAMILLO (CORVERS)**

Mrs. Ana Lucia Jaramillo started with the presentation of the business case methodology, namely as a tool to support investment decisions before, during and after the project. The study case present by Mrs. Ana Lucia Jaramillo focused on the business case methodology before the project and in this phase it was presented the added value of the business case on the support to the project approval and in the best value support, namely in the market/technology potential, in the technical specifications and the identification of key performance indicators. After that a case study was presented were all the steps were identified. Mrs. Ana Lucia Jaramillo finished her presentation with the identification of the different procurement steps.

## **2) Open interactive session and Peer learning session**

The open interactive session aimed at presenting the situation of each pilot. Each pilot region representative presented a detailed planning on the foreseen activities for the Market Consultation Phase

The Peer review session aimed at analyzing the key critical aspects of the current phase of the project and to activate an interactive dialogue among partners and international experts, in order to analyze each pilot, identifying common criticalities and discussing possible overcome strategies.

In what regards the Croatian PPI pilot it consists in an energy efficiency intervention on a prefabricated kindergarten building. The building is approaching its lifetime end and the City administration needs to extend it. The project team identified as an important constraint the fact that the implementation could only be possible during the time frame of two months (summer break). Also, the project teams also identified the building's requirements and the need for scalability and replicability as a requirement to attract nationwide interest. All the

developments in this process were identified namely the B2B meetings with technical experts that occurred, the development of a database of prefabricated buildings in the region and the analysis to the building construction characteristics through building construction and static analysis(study) and the thermography analysis (report). Also major constrains were presented and identified by the project team and also communication actions that were developed. A detailed planning of the activities was presented with a special focus in the market engagement phase

Portugal PPI pilot presentation focused on the type of building and in the major constraints it faces due to the fact that is a historical building and subject to specific rules, namely because typical renewable energy interventions are not applicable as measures to be implemented must take into consideration the building heritage. Alteration in the aesthetics of the building is not allowed. The needs analysis and the energy audit results were presented. A planning of the activities was also presented with a special focus in the market consultation phase with the main objectives of facilitating the open dialogue with potential suppliers, present the building's characteristics and organize site visits.

Spanish partner presented the Spain PPI pilot. This pilot consists in an energy efficient refurbishment of the *Magatzem de Cucó* that will be a municipal youth center. The partner explained that the pilot building users' assessment has been conducted by distributing a questionnaire and face-to-face interviews and that 442 replies were collected and that resulted in a list of need. Next step is the drawing of the building renovation basic project and this is expected to be completed at the end of the summer period. A planning of the activities was also presented.

In what regards the Italian pilot this will be developed in the Kindergarten "Gianni Rodari" located in Narni Scalo, Terni, Italy. This infrastructure hosts about 200 people (pupils, teachers and assistants). The building presents an area of 1248.83 m<sup>2</sup> and is built with a structure in reinforced concrete. The presentation focused also in the activities already performed namely building energy analysis, the site inspection and Interviews with final users of the building (teachers, assistants, pupils, parents). A planning of the activities was also presented.

## CONCLUSIONS

This meeting was crucial moment as it enabled discussion and brainstorming between partners and experts creating the possibility of a fruitful exchange of ideas and bringing information from the field, brought by each partner and specific know-how on the implementation of PPI, brought by the experts.



It was possible to discuss the best solutions to adopt, given specific and differentiated constraints from partner to partner, analyzing in detail the best ways to overcome these constraints, safeguarding the fulfillment of the project objectives.

The participation of the experts was fundamental to the session namely in supporting the project partners in facing the challenges regarding their pilots. The establishing of PPI Network reveals to be an important step towards raising and building awareness.

## *FOURTH INTERNATIONAL WORKING SESSION – FRANCE*

### LOCATION AND DATE

Ref. WP: 3.1	Partner: CSTB	No. of event: 1
Country: France	Place: Paris	Date: 18/01/2018

### TYPE OF EVENT

4<sup>TH</sup> international working session – Paris - MED PPI Network Launch Workshop

### GOAL OF THE EVENT

This was the landmark launch event to launch the Med PPI Network.

The MED PPI Network aims to bring together all actors with an interest in innovation procurement including local authorities, public bodies, SMEs, experts and academia “to enhance understanding and capability, build collaborative partnerships and support the wider uptake of pro-innovation approaches to public procurement in the MED region and beyond”.

This international working session provided an opportunity for this embryonic network to come together and share experience and learning concerning innovation procurement.

### PARTICIPANTS

Participating in the workshop were representatives from the Med PPI Network target audience:

#### Local authorities:

14. City of Koprivnica – Croatia
15. Sviluppumbria – Italy
16. City of Narni – Italy
17. Consorci de la Ribera – Spain
18. Regional Energy Agency North – Croatia
19. CIMBAL – Portugal

#### Research:

20. Polytechnic University of Valencia – Spain

21. CSTB – France
22. University of Patras – Greece

Companies:

23. CampoSPHERE – France
24. Yprema – France
25. IrRADIARE– Portugal

Experts:

1. Directorate of State Procurement – France
26. DG Grow – European Commission
27. Jera Consulting – UK

## AGENDA

- 10.00 Introduction to the Med PPI Network. Frédéric Bougrain, CSTB
- 10.15 Innovation Procurement: What, why and how? Gaynor Whyles, Director, JERA Consulting
- 10.45 Public procurement of innovation: the strategy of the French national administration - Samira BOUSSETTA, Directorate of State Procurement
- 11.05 Guidance for Public Procurement of Innovation – Matija Matoković, European Commission, DG Grow
- 11.25 Break
- 11.45 How purchasing process can foster innovation: the Grand Paris Express case - John Tanguy, director of the Innovation Department at “Société du Grand Paris”<sup>1</sup>
- 12.05 Public procurement as a barrier to innovation and the reuse of modular buildings? The case of the start-up CampoSPHERE, Antoine Plane, technical director at CampoSPHERE
- 12.20 Green Public procurement: challenges for suppliers of the circular economy - Audrey Bertrand, YPREMA
- 12.45 Lunch and networking
- 13.45 International working session
- Tour de table - PPI Peer Learning Exchange: presentation of major challenges faced by European projects dealing with Public Procurement of Innovation
- Yorgos Stephanedes, University of Patras (Greece), GRASPINNO project leader
  - José Badia, Polytechnic University of Valencia (Spain)
  - Diego Mattioli, PROMINENT MED coordinator (Italy)
  - Elsa Nunes, IrRADIARE (Portugal)
  - Denis Premec, Regional Energy Agency North (Croatia)
  - Gaynor Whyles, Director, JERA Consulting, representing CEPPI (Expert)
- 15.00 Break out discussion: How can the Med PPI Network help you?  
Gaynor Whyles, Director JERA Consulting
- 15.30 Feedback from break out discussions
- 16.00 Close

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<sup>1</sup> Unfortunately John Tanguy was excused at the last minute. Even though he could not attend, his presentation materials are available in the annex.

## SPEAKERS PROFILE

### **José Badia**

Dr. José Badia holds a M.Sc. in Chemical Engineering, a M.Sc. in Mechanics and Materials Engineering, an international M.Sc in Materials and Sensor Systems for Environmental Technology and a Ph.D. in Industrial and Production Engineering. He has worked as a researcher and manager of research, development and innovation in the Institute of Technology of Materials of the Polytechnic University of Valencia for 10 years. His research field is focused in the interaction between polymer materials and service conditions, in order to set up sustainable innovations that provide better durability towards degrading agents such as temperature, sunlight or weather; as well as is focused on the degradation pathways of polymer wastes via material, energetic or biological valorisation. He is currently working as research and teaching staff of the Department of Chemical Engineering of the School of Engineering at the University of Valencia. He is in charge of the teaching of Innovation for chemical engineers, where future professionals in the field learn and train techniques of creativity, the keys of technological watching, the main funding programs and schemes for innovation, strategies for protection and exploitation of research, and entrepreneurship skills.

### **Audrey Bertrand**

In 2013, Audrey Bertrand received a Ph.D. degree in geoscience from the Freie Universität of Berlin (Germany). After 2 years as a post-doctoral researcher at the University of Innsbruck (Austria) and later at the Hungarian Academy of Sciences Academy of Budapest, she joined YPREMA in May 2016 as a sustainable development engineer. YPREMA is a French SME leader in recycling construction and demolition waste, incinerator bottom ashes and inert soils. Audrey promotes recycling by raising awareness amongst school, public actors or projects managers. She is also in charge of promoting environmental factors such as circular economy and biodiversity within the company.

### **Frédéric Bougrain**

Frédéric Bougrain works as a researcher for CSTB in France. His research interests range across construction economics and management with a particular focus on innovations, energy saving performance contracts, public procurement and more recently circular economy. He previously lectured at the University of Orléans (France) where he defended a thesis on innovation, small and medium-sized enterprises and the consequences for regional technology policy. Frédéric has published papers on public private partnerships, energy saving performance contracts, innovation in small and medium sized enterprises and the social housing sector.

### **Samira Boussetta**

Holder of a master's degree in European law and a PhD in public law, Samira Boussetta is in charge of innovation at the Directorate of State Procurement. She began her career by practicing first at the law firm Simmons & Simmons, then as head of the public procurement of the City of Meaux and the urban community of the « Pays de Meaux ». It allowed her to acquire an expertise in public contract law and public procurement. Then, she developed her

skills in the practice of innovation procurement by working for many years as head of legal affairs and in charge of purchasing innovations in a central purchasing body specialized in the health sector (RESAH).

**Matija Matoković** 

As a European official in DG GROW, Matija Matoković is responsible for analysis and development of technology public policies for digital transformation of public procurement in the EU and leveraging the strategic potential of public procurement in commercialization of innovation through public procurement of innovation and cooperative procurement."

**Diego Mattioli** 

Diego Mattioli is an expert in European funded projects on sustainable energy, climate mitigation and adaptation, environmental protection, biodiversity and nature conservation.

In particular he is working in the framework of the following EU Programmes: Life, H2020, Interreg MED, Europe, Adrion, etc.

He is following the whole project life cycle from the designing to the technical and financial management and the final reporting and accounting.

He is a lecturer in masters and international workshops and seminars on EU project planning and management with Italian Universities and Master Schools.

**Elsa Nunes** 

Elsa Ferreira Nunes graduated in Sociology in 1992. She completed an MSc in Sociology. Between 1995 and 2003 her occupation was fundamentally linked to training and training management. After that, she was involved in training and consultancy activity, especially at IAPMEI (the Portuguese national institute to support SME). Since 2003 she performs management functions at IrRADIARE Ltd where she is also in charge of project management.

**Antoine Plane** 

Antoine Plane has been Technical Director at CampoSPHERE, French SME, since 2013.

**Denis Premec** 

Denis Premec has 24 years of work experience, of which 15+ years of consulting and project management experience. He possesses technical and technology skills from various projects and energy sector, public and private. He has experiences with successful applications for national and EU funds for local and national Energy Efficiency and ReS public projects, including health sector, but also has experiences in the field of implementation and project management of the same projects and energy management consulting in various sectors.

**Yorgos Stephanedes** 

Professor Yorgos Stephanedes is an expert in Intelligent Energy and Transport, specialising in Smart Cities. Following 20 years of working at the University of Minnesota (in the USA), Professor Stephanedes is now the Director of the Environmental Engineering and Transportation Division, and of the Intelligent Transportation Systems (ITS) Programme at University of Patras (Greece). One of his areas of focus is green public procurement (GPP).

**Gaynor Whyles** 

Gaynor Whyles is Director of JERA Consulting; a UK based consultancy specialising in innovation, and is passionate about the role of innovation procurement in improving public services and stimulating economic opportunities. As an independent consultant in the field of

innovation procurement for the UK Department for Business Innovation Skills (2005-2012) she was responsible for developing the Forward Commitment Procurement concept into a practical tool for innovation procurement. She has subsequently initiated, facilitated and managed a number of successful and award winning FCP demonstration projects in UK and Europe and provides expert advice and training in innovation procurement for a number of organisations, including the European Commission, most recently as one of four experts supporting the DG Research ‘Mutual Learning Exercise’ in innovation related procurement.

## CONTENT

The international working session organised by the Prominent MED project partners was built in four parts. Firstly the Med PPI Network was introduced and formally launched, this was followed by a key note presentation introducing participants to the principles and practices of innovation procurement. Secondly, the French and European strategy and implementation of public policies in favor of innovation procurement was presented. Third, the supply demand represented by two French start-ups testified to illustrate challenges faced by public procurers who wish to invest in innovative solutions. Finally, the Peer Learning Workshop provided an opportunity for practitioners to share their experience and learning in implementing innovation procurement on the ground and discuss common issues, concluding with a discussion on how the Med PPI Network could further facilitate this peer learning exchange.

### **1) General overview**

#### **1.1) Introduction to the Med PPI Network – Frédéric Bougrain, CSTB**

The MED PPI Network aims to bring together all actors with an interest in innovation procurement including local authorities, public bodies, SMEs, experts and academia (the “quadruple helix”) to enhance understanding and capability. Among the actors of the quadruple helix, local authorities and suppliers are the main targets.

Public procurers (e.g. small municipalities) frequently lack expertise and experience with complex purchases. There is frequently a gap between the capabilities held by public authorities and the skills required for procuring innovative solutions. There is no need to gather specific competence when procuring off-the-shelf goods while greater competences are required when procuring innovative solutions.

Due to this lack of knowledge, aspects such as delivery period and price become priority when awarding contracts for equipment or designing new public buildings. This way of operating hinders the diffusion of innovation. On the other side, suppliers regularly face difficulties to take part to public procurement. They frequently consider that public procurement is more complex and reserved to large established firms. Innovative SMEs / start-ups without past records are not well positioned in call for tenders compared with established firms. Indeed, public authorities frequently require references based on previous work to select companies. Finally, it appears that there is a lack of interaction between suppliers and public authorities. This Peer Learning Workshop provides an opportunity to share experiences among members of the quadruple helix and to build collaborative partnerships. In the longer term, the MED PPI Network intends to propose solutions to support the wider uptake of pro-innovation approaches to public procurement in the MED region and beyond.

## **1.2) Innovation Procurement: What, why and how? Gaynor Whyles, JERA Consulting**

In this presentation, Gaynor Whyles challenged the sometimes narrow view of ‘what is innovation procurement?’ and concludes that there are many ways we can stimulate and support innovation in the supply chain. We need to remember that the use of innovation procurement the *raison d’être* of procurement, which is that a public organisation purchases goods and services that it needs to perform its function. It is certainly not innovation for the sake of innovation, rather innovation to meet genuine needs. Above all, innovation procurement is about securing the goods and services you need, when you need them, at a price that reflects their value.

The first rule of innovation procurement is to understand the perspective of the customer and supplier – it takes two to tango! Innovation is of course risky, but sometimes *not* innovating is costs more. From the point of view of the supplier it is all about a credible, genuine market demand.

A number of case examples showed how innovation procurement can offer real benefits to the customer – better outcomes and better value and also how procurement practices present unintentional barriers to suppliers of innovative solutions. These examples also highlighted different approaches to innovation procurement, drawing from both the public and private sector.

In particular, the Forward Commitment Procurement methodology was introduced, being specifically designed to manage the risk of innovation on the part of the customer and supplier. The presentation concluded that procurement is overlooked as a strategic tool; You can always do something to support, stimulate and enable innovation in your procurement process, but “You can’t out-source thinking”.

### **2) The demand side**

#### **2.1) Public procurement of innovation: the strategy of the French national administration. Samira Boussetta, Directorate of State Procurement**

Samira Boussetta presented the strategy of the French national administration in the field of Public Procurement of Innovation. Every year, the state's purchases amount is over €26 billion (€16 billion for government services, excluding defense and security purchases, and €10.5 billion for state institutions). The main missions of the Directorate of State Procurement (DAE – Direction des Achats de l’Etat) are to promote inter-ministerial tenders, play the role of a purchasing organization, improve the professionalization of purchasers and develop purchasing tools and e-procurement system. The goal is to respect the objectives of sustainable development and social development, to facilitate the access by SMEs to procurement markets and to integrate more innovative solutions (target set for 2020 is 2% of innovative purchases). At the regional level, procurement platforms have been created. These are attached to the prefects of regions and headed by purchasing managers.

Moreover, several tools have been developed to create synergies and promote exchanges of know-how between buyers: a "Professional Social Purchasing Network of the State and its Public Institutions"; an innovation purchasing platform where firms can present innovative solutions; an interview grid for innovative firms in order to qualify the firms and their innovations; a co-contracting exchange platform to help firms to pool their human resources,

equipment, financial capabilities and know-how and to increase the number and quality of their references.

Alongside this policy, different laws were enacted to stimulate PPI. Order No. 2015-899 of 23 July 2015 on public procurement and Decree No. 2016-360 of 25 March 2016 on public procurement transposed into French law Directive 2014/24 / EU of the European Parliament and of the Council of 26 February 2014 on the award of public contracts.

The efficiency of the procurement function through the professionalization of various players in the procurement process should help firms to answer to the needs of public procurers and save money. Expectations for the ministries and the public institutions are respectively 375 M€ and 275 M€ in 2017, 400 M€ and 300 M€ in 2018.

## **2.2) Guidance for Public Procurement of Innovation – Matija Matoković, European Commission DG Grow**

Matija Matoković presented the different initiatives launched by the European Commission's (DG GROW) to support public procurement of innovation:

- A public procurement package to improve the efficiency of public procurement. Public procurers are encouraged to develop a strategic approach to their procurement policies. It includes the promotion of innovative, green and social criteria in awarding public contracts; the professionalisation of public buyers, the access by SMEs to procurement markets in the EU, the cooperation among public buyers across the EU;
- The removal of barriers for startups to scale-up in the Single Market;
- The development of partnerships with large public buyers that have substantial impact on their local public procurement market through the size of their procurement budgets and/or policy impact (identification of potential synergies, exchange of best practices, etc.);
- The improvement of the draft guidance on Public Procurement of Innovation by integrating practical experience from the projects funded by DG GROW and comments, suggestions, challenges from stakeholders;
- The promotion of innovation brokers as facilitators of public procurement of innovations.

### **3) The supply side**

#### **3.1) Public procurement as a barrier to innovation and the reuse of modular buildings? The case of the start-up CampoSPHERE, Antoine Plane, CampoSPHERE**

CampoSPHERE is a French SME involved in the reuse of modular buildings. This is not common practice: nowadays modular buildings are bought then demolished when they are not needed anymore. Only very small surfaces are rented and reused (1,5% of the market).

There is therefore a need and opportunity for a second-hand market of modular buildings for medium and big surfaces. This would have the following benefits:

- Saving resources in steel and panels as modular buildings have a 30-year lifetime
- Avoiding 70 000 tons of waste each year and their associated costs (landfill)
- Saving money for modular buildings users as new module is more expensive



CampoSPHERE is developing a user-to-user market, bringing together companies willing to dispose of their modular buildings with those that need some. This could be very interesting to public procurers (35% of the market) who currently do not use second hand modular buildings.

To change the practices towards the reuse of modular buildings, the following topics need to be addressed:

*Scope of work*

Public procurers need to avoid describing in a very detailed way the amount of panels they require and instead focus on the outcome (surface, number of rooms etc.)

*Innovations and opportunities*

Public procurers need to be made aware that technologies exist. They can help them save money if they change their procurement behavior.

*Foresight*

Public procurers need to think in global cost terms and communicate among each other regarding their modular buildings needs.

The key messages for public procurers are:

- Plan ahead and think about reuse from the project design phase. It is highly unlikely that the project is that unique that it would require new modules.
- Compare: a second-hand building (shaped as required) can meet the same expectations as a new building.
- Anticipate the end of life and plan a dismantling rather than a demolition.

**3.2) Green Public procurement: challenges for suppliers of the circular economy - Audrey Bertrand, YPREMA**

YPREMA is a French SME and leader in recycling construction and demolition waste, incinerator bottom ashes (the main residue from household waste incineration) and inert soils. It selects, recovers and transforms waste in high quality recycled gravels that are used for roads constructions. Using bottom ashes gravels derived from their own household is a common sense circular economy solution for public authorities as it saves precious natural resources, reduces costs, and decreases environmental impacts as using bottom ashes for local constructions avoids landfilling and long distance transportation.

This common-sense approach can only be successful if public authorities are involved and committed.

YPREMA presented two contrasting cases: one public procurer committed to using its own bottom ashes coming from 250 000 inhabitants and another that is not willing to reduce the environmental or economic impact of its 450 000 inhabitants. In the first case, the commitment of the public procurers led to the possibility to open a new recycling plant nearby. In the second case, the recycling plant will have to be closed as it cannot sell the bottom ashes gravels anymore, which brings ecological (landfilling) and economic negative impacts (costs of road materials and reduction of job opportunities).

YPREMA emphasised that public procurers are key players in the development of circular economy industries: their commitment is necessary to sustain and develop innovations.

**4) Peer learning session**

The peer learning session chaired by Gaynor Whytes started with a little video entitled [Three Little Procurers](#) published for the conference on Innovation Procurement held under the Estonian EU presidency on 17th and 18th of October 2017 in Tallinn, Estonia.

#### **4.1) Input from the GRASPINNO project. Prof. Yorgos Stephanedes, University of Patras**

##### **GRASPINNO: Transnational model, strategies and decision support for innovative clusters and business networks towards green growth, focusing on green e-procurement in energy efficiency/renewable energy sources (EE/RES) for energy refurbishment of public buildings**

The Med area faces a transnational challenge that has resulted from the low energy efficiency of a large number of older public buildings. GRASPINNO provides innovative green procurement solutions for energy saving and efficient refurbishment of public buildings, focusing on smart cities and communities. There are three main goals: (a) Improve the capacity of Public Authorities (PAs) to use green solutions in managing the energy efficiency of buildings, (b) Strengthen SMEs to enter the green energy market, and (c) Facilitate the interactions between PAs and SMEs in the procurement process.

Public buildings are among the largest consumers of energy, many requiring refurbishment in order to comply with regulations and, primarily, to optimise the use of energy resources. GRASPINNO responds to this need by providing green procurement EE/RES solutions for the energy refurbishment of these buildings, while also improving their energy profile and supporting their path towards green growth.

From a lifetime (cradle-to-grave) perspective, the positive environmental results from GRASPINNO output are numerous, and influence several sectors of the economy. For instance, green RES procurement can result to optimal use of resources and reduction in CO2 emissions and greenhouse gases. Green procurement solutions can also improve the health and safety of people who use and work in the refurbished public buildings.

First, the project has designed a unified platform that integrates three tools: GRASPINNO PAs/SMEs databases, e-GPP tool, and LCC tool. The platform provides its users with information on green products and solutions, support for publishing a tender, and recommendations based on the Life Cycle Cost (LCC) calculation.

Toward its second main goal, GRASPINNO has already involved many SMEs in its activities and events. The project supports training in the use of the developed tools, while educating them in the procurement policy framework, involving them in the Living Labs, and informing them about Med opportunities in public procurement for energy refurbishment.

In pursuit of its third goal, the project uses the Transnational Mediterranean Network (TMN), a second platform that complements the unified platform. Stakeholders of the energy sector are invited to join the TMN, exchange knowledge and experiences, and are informed about news and events. Both platforms are expandable and transferable to other topics of interest to private companies and public institutions.

Based on its findings, GRASPINNO plans to systematise its accumulating knowledge in building refurbishment, SEAPs, eGPP, and the financing opportunities and technical/non-technical barriers in the procurement process, and provide guidelines and practical recommendations for Public-Private partnerships for procurement in public buildings.

#### **4.2) The PPI case in Spain. José Badia, Polytechnic University of Valencia**

Dr. Jose Badia focused his presentation on three lessons learnt during the implementation of the initial stages of the Public Procurement of innovation for the Purchase and Installation of innovative windows in an old storage which is going to be refurbished in Alzira, Spain.

The first lesson was ‘Divide et impera (divide and conquer)’:

The first big doubt was to understand how to start dealing with the whole problem. Then the system under study was subdivided into 3 subsystems of analysis, namely floor, walls and windows, since the roof was already fixed.

Then, the team decided to carry on market analysis of windows, which were redivided into glasses, frames and shadowing elements. The outcome oriented requirements were also classified to better express the needs, and thus more specific key performance indicators were found, which helped improve the dialogue with the market and somehow represented a guidance for the future procurement. In addition, in order to snoop the market, it was segmented by producers, suppliers and installers, and complemented by the consideration of influencers, i.e., those agents than can multiply the message and knock on the right market door.

The system of influencers was re-divided taking into account the type of agent (association, federation, technological centres and platforms...) and sector of influence (architecture, energy, materials...). This way, the communication strategy was more effective, incrementing the opportunities of getting more market participation and competition to get the best value for the invested money. “Divide and conquer” therefore stands as a mantra that should be taken into account during the whole PPI process.

The second lesson was ‘From needs to outcome-oriented requirements’:

The needs analysis revealed that the building was going to be the future youth municipal house and therefore it was planned to be diaphanous, acoustically-insulated, and thermally comfortable and energy efficient.

These needs were transformed into the following outcome-oriented requirements:

- Maximize the use of natural light
- Minimize heat gains in summer, to avoid overheating in summer and take advantage of solar gains in winter
- Minimize heat losses
- Provide ventilation (either by opening windows, or by integrated ventilation system)
- Soundproofing (Acoustic insulation)
- Ensure the quality of the assembly with the opaque envelope.
- Easy maintenance and cleaning
- Sustainable product, guarantee to minimize waste, use of sustainable materials, consider the life cycle of the installation.
- Provide security against vandalism.

The third lesson was: ‘Share your best, fight your doubts’:

Every single taskforce is usually composed by different persons who have different background, is used to different procedures and probably understand the challenge in a

different expectation framework. Even more, when different partners come into the procurement, no matter if they are external or internal (i.e. staff from different departments), the challenge becomes even harder. Therefore, internal communication channels, tools and procedures have to be agreed and frequently used in order to share the best of every person, and fight the doubts into the teamwork to find common solutions. Only if the challenge is common, the internal credibility for the group will be mirrored into the external credibility for the market, so the opportunities of success are empowered.

Every single lesson learnt was relevant as a mindset for the implementation of PPI procedures in small municipalities in the MED area, which have to share resources and knowledge in order to obtain best value for money and therefore better municipal services.

#### **4.3) The PPI case in Croatia - Major challenges with Public Procurement of Innovation – Denis Premec, REA North**

Denis Premec introduced the Croatian PPI pilot that involves the energy efficient renovation of a prefabricated kindergarten building. The building is approaching its lifetime end and the City administration needs to extend the lifetime. The project team identified the requirements as simultaneous improvement of the building (exterior + interior), implementation time window possibility only during the summer break (2 months), need for scalability and replicability as a requirement to attract nationwide interest.

Major challenges like small municipalities and insufficient market demand, innovation procurement as a huge cultural and political challenge resulted with no success stories and partners without any experience in PPI. Additional challenges identified include the fact that the project team has no relevant data on successful refurbishment of prefab buildings in Croatia and neighbouring countries, and the project requires also to break up the usual process hierarchy (project designer - contractor - industry) in order to stimulate innovation.

The team sees the PPI Network as a help to stimulate the supply side because currently there is no such formal or informal network. The Med PPI Network could be a trigger to form some kind of regional network as a stimulus for various stakeholders. It is an opportunity to build an ecosystem which currently does not exist.

#### **4.4) The PPI case in Italy – the case of Narni, Diego Mattioli, NOESIS**

The innovation procurement in the Narni pilot case is applied for the refurbishment of a kindergarten hosting children from 6 to 36 months.

The needs analysis carried out with parents, teachers and the other kindergarten support staff identified the following needs: thermal insulation, improvement of seismic resilience, improvement of learning environment through sensory learning internal wall, acoustic insulation.

The Narni municipalities launched an Open Market Consultation in order to discuss with the market possible technical solutions, their feasibility, as well as, possible award criteria for the tender i.e. life cycle assessment (LCA).

The steps followed were:

1. PIN Publication on TED,
2. Web page in municipality institutional website informing procurers
3. Designing of a questionnaire gathering market inputs
4. Information action through institutional channels

The market consultation will close on February 23<sup>rd</sup>. Afterwards, a specific business case will be designed aimed at supporting investment decisions before, during and after the project, which will deal with the following 5 topics:

1. Outline alternatives
2. Define potential cost savings, benefits
3. Better market knowledge
4. Define technical specifications
5. Identify KPI

At the present state of implementation of the pilot the first lesson learnt are:

- Small Municipalities have lack of knowledge both in legal and technical matter, and need specific support attuned to their needs
- Particularly in Med countries the complex regulatory framework jeopardises the possibility to use innovation procurement
- The low scale of investment implies the low interest of the market
- It is only through demonstrating the scalability of the proposed investment that the market can be attracted.

#### **4.5) The PPI case in Portugal. Elsa Nunes, IrRADIARE**

The presentation focused on CIMBA's major challenges dealing with Public Procurement for Innovation and with the actual state of the pilot action namely in what regards the Market Consultation Phase. A detailed planning of the activities was presented with a special focus in the market consultation session that will take place in Beja in February with the main objectives of facilitating an open dialogue with potential suppliers, presenting the building's characteristics and organizing the visits to the building. Another important issue presented was the possibility of replication of the project results into processes regarding other buildings, namely museums in the region.

#### **4.5) Feedback from the CEPPI project – Gaynor Whyles, CEPPI Coordination Team**

CEPPI is supported by the European Commission and brings together the Cities of Birmingham (UK), Budapest (Hungary), Castelló & Valencia (Spain) and Wrocław (Poland) with expert partners and together they are joining efforts to look for more sustainable energy solutions through a pro-innovation procurement approach.

Gaynor Whyles reflected on the following lessons learned: Don't mention innovation (it is scary), rather find out what motivates the buyer; you can always do something to support innovation in the supply chain and encourage suppliers to bring forward more energy efficient solutions that better meet the needs of customers and end users – the CEPPI PPI Action Planning Tool provides a template to decide what actions are possible; change is hard in complex and political organisations – and many reasons we have all heard why it is not possible; we need to stop the procurement conveyor belt – and think! do I want an energy efficient widget – or is the most energy efficient widget one that doesn't exist?; energy efficiency is not the whole story - innovation can deliver so much more; the nature of the procurement interventions in any single organisation will be determined by the framework conditions in that organisation.

A pioneering tool ‘the flexible framework for energy innovation’ is being developed to provide a pathway for organisations to progress their energy innovation procurement. Visit the CEPII website: <http://www.ceppi.eu>.

## CONCLUSIONS

In the concluding session the participants reflected on what they had gained from the event. The event stimulated a valuable exchange between a diverse group of participants all with a common aim – to be better at opening up the market to innovation and embracing new solutions that can add real value for society.

While PPI is still in its infancy phase in the MED area, establishing MED PPI Network is an important step toward raising awareness and building awareness, understanding and capacities of stakeholders. We should continue to share case examples, lessons and examples of out innovation procurement in practice through the network.

It was clear that there were challenges in common across the network, and the contribution from the supplier perspective provides important learning and insights for the public procurer. All were keen to maintain and develop this learning opportunity. Again, the network could help to support this process.

There is more than one way to support innovation in the supply-chain – customers need room to explore and experiment with different approaches.

While innovation was agreed to be ‘scary’ for customers – and with good reason, it was also felt that the focus on the risks of innovating were often considered – while the risks of *not* innovating were less widely acknowledged.

## *FIFHT WS: THE INTERNATIONAL WEBINAR*

### LOCATION AND DATE

Ref. WP: 3.1	Partner: CSTB	N°. of event: 5
Country:	Place: web	Date: 22/02/2018

### TYPE OF EVENT

International webinar

### GOAL OF THE EVENT

Market engagement is a cornerstone of innovation procurement.

This webinar considered the context and perspectives of customers and suppliers engaged in innovation procurement, it took a practical look at the different tools and approaches that can be used, and considered the benefits, challenges and success factors of effective engagement with the market.

The main speaker in this workshop was Gaynor Whyles of JERA Consulting, a leading European expert on innovation procurement.

### AGENDA

10.30-10.45 Joining the webinar

10.45 Welcome note - **Diego MATTIOLI**, Prominent MED coordinator

10.55 Market engagement: context and perspectives - **Gaynor WHYLES**

*Questions and discussion*

11.15 The practices and tools of market engagement - **Gaynor WHYLES**

*Questions and discussion*

11.45 Case examples from Prominent MED including the Spanish case of Alzira - **Plàcid MADRAMANY, Consorci de la Ribera**

*Questions and discussion*

### PARTICIPANTS

The event attracted 62 registrations from across Europe, mainly from public sector organisations, innovation agencies and cities.

## CONTENT

The MED PPI Network aims to bring together all actors with an interest in innovation procurement including local authorities, public bodies, SMEs, experts and academia “to enhance understanding and capability, build collaborative partnerships and support the wider uptake of pro-innovation approaches to public procurement in the MED region and beyond”.

### ***Market engagement: context and perspectives***

The webinar first set the context; innovation procurement must accommodate the role of procurement, namely to deliver what is needed to fulfil the function of an organisation. Innovation for the sake of innovation must be avoided.

We define innovation procurement here as: Undertaking the procurement process in a way that stimulates the supply chain to invest in developing better and more innovative goods and services to meet the unmet needs of an organisation OR simply removing barriers to innovative solutions”.

Innovation procurement means changes to the way we normally do things. Part of this change is the way we communicate and engage with suppliers (but only a part.....other change is needed too).

An innovation procurement approach needs: a genuine unmet need and procurement opportunity; effective and early communication to the market; follow through into a pro-innovation procurement strategy, allowing innovation to compete on a level playing field.

The purpose of pre-tender market engagement is to understand the capacity, capability and appetite of the supply chain to deliver a solution. It is not an evaluation or assessment of suppliers.

Understanding the perspective of suppliers is a key to effective market engagement. Innovation is not only risky for customers; it is risky for suppliers. Market engagement helps you to present a genuine, credible and convincing requirement to the market - if there is a need suppliers are ready to respond. The market engagement process needs to convince suppliers that this is something worth investing in. How can you convince suppliers that you are a credible buyer?

- The DEMAND must be genuine
- The organisation must be (demonstrably) committed
- Professional and thoughtful market engagement process
- Show you understand suppliers – for example by demonstrating a wider market
- Inspire confidence that the tendering process will allow innovative solutions to compete equally



- Realistic timeframes

Typically, and historically the public sector was not good at communicating with the market. This makes no sense. Market engagement breaks down barriers between customers and suppliers to the benefit of all concerned. Market engagement:

- Brings the supply-side perspectives to a procurement process
- Gives the supply chain advance information about forthcoming procurements (suppliers need time to innovate)
- Tests the reaction of the market to a proposed requirement
- Helps you to design an effective pro-innovation procurement approach
- Provides invaluable insights to potential suppliers – helps them to differentiate their offering on factors other than price

### ***Market Engagement process, practices and tools***

Part two of the webinar considered tools and methods – how might we approach market engagement in practice?

A range of market engagement tools were presented and discussed:

- Communication tools: here are a few commonly used.....
- Market Sounding Prospectus (MSP)
- Prior Information Notice (PIN) in the OJEU
- Market Response Form
- Web-page
- Market Consultation Workshops and Site visits
- Directory of companies responding
- Prepare briefing note to suppliers in advance of the workshop
- Technical Dialogue – usually with individual suppliers

A market engagement process might begin with market sounding: “Market sounding is the process of assessing the reaction of the market to a proposed requirement. Market sounding should begin at the earliest possible stage in the procurement process”.

A market sounding prospectus (MSP) can be a valuable tool for communication. Some example MSPs were shown and the typical contents were discussed.

It can be helpful to standardise responses from the market using a response form – this needs to be simple and user friendly! Remember – it is not asking for suppliers’ solutions – it is information to get an overview of what the supply chain is capable of, the timeframes involved, the market conditions needed etc. It is important to read the responses!

A Prior Information Notice is now an established mechanism to launch a market sounding or consultation. It is helpful in terms of coverage of suppliers and to show that the exercise is 'official'. But you cannot rely on a PIN. Proactive communication is vital.

Web pages are a helpful way to keep suppliers up to date and engaged, creates a paper trail and facilitates transparency to maintain a level playing field.

Market consultation workshops tend to be popular with suppliers. Always provide enough time for networking. They are invaluable- for suppliers and customers. For customers, helps to:

- Understand the range of views present in the supply chain and ID perceived barriers
- Assess first-hand the appetite and mood of the market
- Get advice on the procurement strategy

Several examples of such events were discussed.

This session concluded with a recap of the main points covered.

### ***Case example: P-Med market engagement in Valencia – the case of Alzira***

The presentation aimed at delivering the following information:

- 1) To present the Spanish Public Procurement of Innovation (PPI) cluster;
- 2) To show the ground of the Spanish pilot project and how the needs identification;
- 3) To explain how the market has been engaged within the project, and finally;
- 4) Spanish pilot 'lessons learnt'.

The speaker webinar intervention started with an explanation about the PPI Spanish cluster with a brief introduction of its most relevant members and role: Consorci de la Ribera (Ribera Consortium), Polytechnical University of València (UPV) and the city of Alzira. Then, a short review about the Spanish building case study was conducted. Concretely, the pilot case study is focused on 'Magatzem de Cucó' building, an old and abandoned agroindustry building (built in 1891) owned by the city of Alzira in which a municipal youth centre is going to be created.

The second part of the intervention was focused on the identification of building/users needs and requirements. It is relevant to highlight the procedure carried out to face such this troubled building where the cluster decided to divide the construction in its different parts in order to reduce the scope of the challenge and, finally, center the attention in the element 'windows' and its compenends: glaze, carpentry and shadowing. Therefore, it was explained how the needs were transformed into the building outcome-oriented solutions requirements and the analysis of potential solutions preliminary state of the art and, at the end, the analysis of the innovative solutions to building challenges based on the solution maturity (typologies: well-known technology, with less than 3 years and has not reached yet the market).

The next part was dedicated to the dialogue with the wider market and the organisation of the Spanish open market consultation. This part of the webinar tried to provide an overview about the resources used to exchange information with the market, with the potential suppliers, paying special attention to the market sounding prospectus, the tools performed to manage the contact with the market and the Spanish pilot website. The follow-up was dedicated to the organization of the Spain Market Consultation Workshop that will occur in Alzira the 8<sup>th</sup> of March 2018.

The last speaker intervention part was oriented to underline the lessons learnt by the Spanish team up to now. It might be identified 3 main lessons:

- A. 'Divide et impera': The energy efficiency improvement of 'Magatzem de Cucó' building was such a huge and expensive challenge that was a crucial lesson to divide the system of analysis into more attainable sub-systems that let us to identify, firstly the needs, secondly the outcome-oriented requirements and, finally, to establish the correct dialogue with the wider market.
- B. 'Share and dialogue': It is important the exchange of information among the partners team because the necessary skills to face a PPI challenge and, even, the different expectations of the partnership. Furthermore, to gain wider market credibility is necessary to channel the information through only one 'voice' and with a common terminology and procedures.
- C. 'Invest time to get more value': It is needed to emphasize that a PPI procedure requires is time demanding during the dialogue with the market phase. But, on the other hand, PPI let us to have a better and closer knowledge of the state-of-the-art of the market, the technologies and the potential solution of pilot building needs. So, as a conclusion, the time dedicated to desing a PPI procedure is a more profitable time.

### ***Questions and discussion sessions***

**Credibility and small municipalities:** Small municipalities have a small budget, they are small players. Thus, what signals can they send to appear credible and to attract innovative suppliers?

Small municipalities can in fact have advantages over larger city councils when it comes to innovation. Their size means that can be more agile, for example make decisions and act to respond to innovation opportunities, leadership can be more easily accessed and engaged, there may be fewer organizational 'silos' and greater communication and cooperation between departments. Scale of demand is often a highlighted a concern – but this need not necessarily be a problem; the first customer is a big hurdle for any innovation and this in itself will increase the marketability of a new product; small municipalities can also join forces to express their common needs to the supply chain in the form of 'joint statements of demand'.

**Suppliers and confidentiality:** How to deal with supplier concern due to the fact they may not feel confident to disclose some 'confidential' aspect of their potential offering (i.e. we may not get the full picture from public workshop)"

No supplier will disclose information that they consider commercial in confidence in a market sounding exercise, nor is it necessary for them to do so. The question may be 'are innovative solutions available or could they become available? To which an answer would be yes, solutions could be available given a first customer demand that could deliver benefits in terms of performance and cost... etc. this gives you valuable information, but needs not explain what the innovative detail is. I would always include a disclaimer saying that suppliers should not provide information they consider commercial in confidence.

**Definition of Innovation:** Did you encounter the question from suppliers "What do you consider innovation?"

Never.

**Market sounding:**

What happens if the market sounding doesn't give the result we expect?

Market sounding, like any research, will always provide useful information. For example, if you do everything you can to communicate clearly and effectively to the market, show that you understand and respect suppliers and you get a lukewarm response, then this tells you the degree to which the supply-chain has an appetite, capacity or capability to supply a solution. This briefing note it should be prepared for the suppliers, in advance of the workshop, what should say? Does it say something different of what has been explained in the prospectus? It sets the scene for people attending the event or workshop, explaining the purpose of the occasion, I would include a summary of what the market sounding has shown you, highlight follow up or remaining questions that you would like to discuss in the workshop, and of course the agenda.

**CONCLUSION**

Market engagement is a cornerstone of innovation procurement. There is no 'one way' to 'do' it, but as we have highlighted in this webinar there are certain principles and helpful practices that will help to ensure that the time spend in preparing and undertaking a market engagement process yields valuable information and insights to inform your subsequent procurement process.

***Documents presented during the webinar are available on the procurement forum [here](#).***

***Video recording of the webinar: click [here](#).***

## Conclusion

All the five events organised as part of the Prominent MED project were the basis to set up a network of professionals. Academia, municipalities, public bodies and SMEs shared their feedbacks, identifying best practices and hurdles in the implementation of PPI.

The main lessons learned are the following:

- On one hand the idea of innovation procurement remains risky and hazardous for some public players due to their lack of knowledge on the legal and technical aspects of PPI.
- On the other hand, several municipalities and local authorities have been committed to innovation in energy retrofit of public buildings and wish to push practices towards PPI.
- Creating a community around PPI is very much expected by small municipalities when facing PPI for the first time. Of course, a Mediterranean community created for the project is interesting but a local community in a local language is necessary to enable easy replicability in the future. Local networks have been created thanks to the organised events in Italy, Spain and Portugal, which are countries with pilot projects on PPI in the frame of the Prominent MED project.
- The MED PPI network is crucial to raise awareness and facilitate implementation of PPI in the region.
- Pilot cases are expected to contribute to the awareness building on PPI in the MED area.