

MED PPI NETWORK LAUNCH WORKSHOP

Presentations
International Working Session
Paris – CSTB
18 January 2018

Interreg 
Mediterranean

 **Prominent MED**

Project co-financed by the European
Regional Development Fund

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GOAL OF THE EVENT

The aim of this landmark event was to launch the Prominent-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.

The event brought together people, representing municipalities, government departments, academia, EC projects, DG Grow, and SMEs together with experts and in the field of innovation procurement. The event was an opportunity to share learning and insights into innovation procurement as a tool for demand side innovation to meet the needs of public authorities.

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. CampoSPHERE – France
11. YPREMA – France
12. IrRADIARE – Portugal

Experts

13. Directorate of State Procurement – France
14. DG Grow – European Commission
15. 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”¹
- 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 CampoSPHERE²
- 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

¹ Unfortunately John Tanguy was excused at the last minute. Even though he could not attend, his presentation is available.

² Unfortunately, the presentation made by CampoSPHERE is not available since it was not possible to get the agreement from the company.

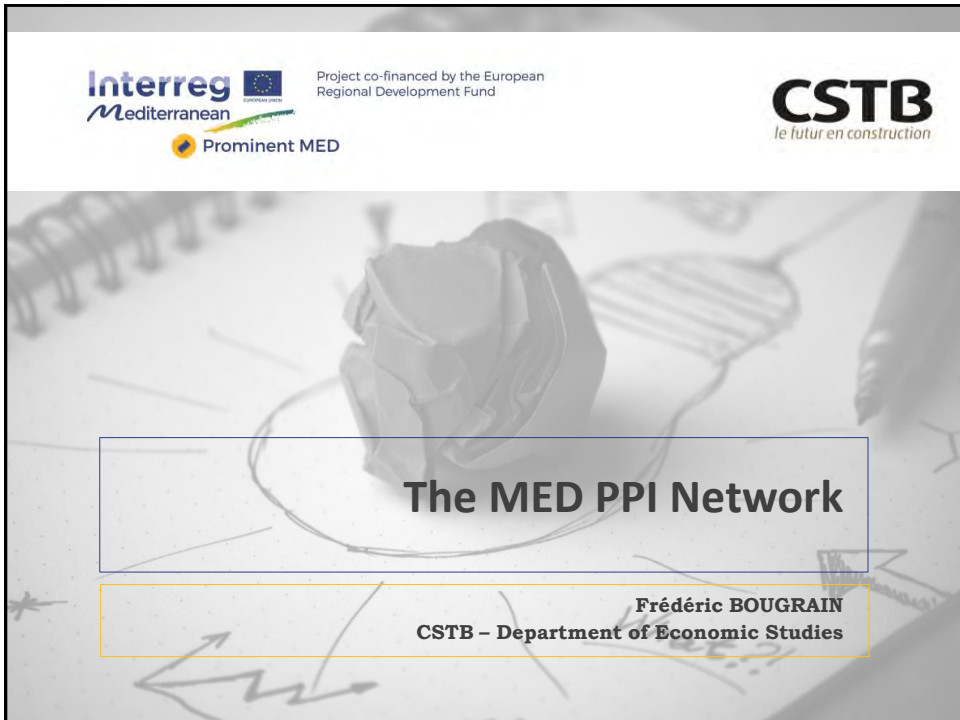



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PRESENTATIONS



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 **Prominent MED**

CSTB
le futur en construction

The MED PPI Network

Frédéric BOUGRAIN
CSTB – Department of Economic Studies

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The actors involved

The MED PPI Network brings together all actors with an interest in innovation procurement:

- Local authorities / public bodies,
- Suppliers (mainly SMEs and start-up),
- Universities / research centers
- Experts.

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Main goals of the MED PPI Network


- **For local authorities:**
 - To propose guidance on the legislative, administrative and regulatory frameworks;
 - To develop concrete solutions;
 - To facilitate return of experiences.
- **For suppliers:**
 - To provide knowledge on market access, financial opportunities;
 - To build collaborative partnerships;
 - To organise virtual meeting, networking, learning and peer exchange space and to enhance understanding and capability.


 **To support the wider uptake of pro-innovation approaches to public procurement in the MED region and beyond.**

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The social networks


Information concerning the project is diffused through several networks:

- Facebook: <https://fr-fr.facebook.com/ProminentMED/>
- LinkedIn: <https://www.linkedin.com/groups/12084513>
- Procurement Forum: <https://procurement-forum.eu/group/1866048/med-ppi-network>
- PROMINENT Med Interreg website: <https://prominent-med.interreg-med.eu/>

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Agenda of the MED PPI Network Launch Workshop

- 10.20 Innovation Procurement - What, why and how? - Gaynor WHYLES, Director, JERA CONSULTING
- 10.50 Public procurement of innovation: the strategy of the French national administration - Samira BOUSSETTA, Directorate of State Procurement
- 11.10 Guidance for Public Procurement of Innovation - Matija MATOKOVIC, DG Grow, European Commission
- 11.30 *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"
- 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
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- 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
 José BADIA, Polytechnic University of Valencia (Spain) / Diego MATTIOLI, PROMINENT MED coordinator (Italy) / Elsa NUNES, IrRADIARE (Portugal) / Denis PREMEC, Regional Energy Agency North (Croatia) / Yorgos STEPHANEDES, University of Patras (Greece), GRASPINNO Coordinator
 Gaynor WHYLES, representing CEPI (UK)
- 15.00 Break out discussion: How can the Med PPI Network help you? - Gaynor WHYLES, director of JERA CONSULTING

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Innovation Procurement: what, why, how?

Experience and perspectives

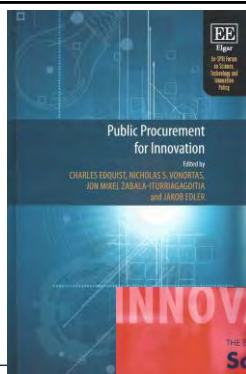
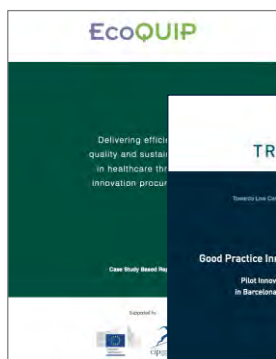
Gaynor Whyles

Director, JERA Consulting

Paris, January 2018

About JERA

Projects and publications



EcoQUIP

Delivering Efficiency, Quality and Sustainability in Healthcare

CEPPI

TRANSFORM

EPP eHealth

INNOCAT
PROCUREMENT OF ECO-INNOVATIVE CATERING

LCB-HEALTHCARE
Procuring better building solutions

Innovation Procurement: What and Why?

What do we mean by innovation procurement?

- “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”
- Procurement **in a way** that unlocks the creativity and innovation potential of suppliers to deliver better patient outcomes, cost effectively
- This means changing the way we think about and undertake procurement - changing the way we do things



What do we mean by innovation procurement?

- “The use of innovation procurement must accommodate the *raison d’être* of procurement, which is that a public organisation purchases goods and services that it needs to perform its function” *ref Georghiou, Edler et al.*
 - **Not** innovation for the sake of innovation – innovation to meet genuine unmet needs, to enable an organisation to fore fill its function effectively.
- The goods and services you **need**, when you need them, at a price that reflects their value.



The procurers view of innovation

- Sensible procurers worry when they hear the word “new”
- New products and services have **risks**.
- They might.....
 - not work as expected
 - not be delivered on time
 - cost more and anyway, have no track record
- We try to avoid innovation because it is **risky**



The procurers view of innovation



- **But** in some cases (more than we admit) we have no choice – the old solutions don't work.....
 - Many existing products and services cannot deliver what we need.
 - If we keep buying them we will fail
 - New challenges need new solutions
 - New technology offers new opportunities
- People often reflect on the risk of innovating.....yet
- The cost of NOT innovating is rarely considered

How can we buy innovative goods and services sensibly?

The suppliers view of innovation



- Developing new products incurs technical risk and requires investments of time and money
- Rational suppliers innovate and develop new products only if they have to, e.g.
 - to protect margins
 - to win business
 - to retain business
- Technical and resource risks are under the control of the supplier and can be managed
- The risk that the supplier cannot control is:
 - Having developed the product will someone **buy** it?
 - Is there a **genuine and credible demand**?

How can we encourage and enable suppliers to innovate?

The buyer supplier paradox

If there was a viable and affordable solution to my problem we would buy it

Customer.....

Innovation
Procurement

If there was a demand we would invest to supply solutions

Supplier.....

From the suppliers point of view, its all about a credible demand.

- **Customers** tend to buy what is available – rather than asking for what they need.....
- Suppliers respond to customer and market demand
- In the absence of a clear demand suppliers **push** ideas, services and products

“My team has created a very innovative solution but we are still looking for a problem to go with it”

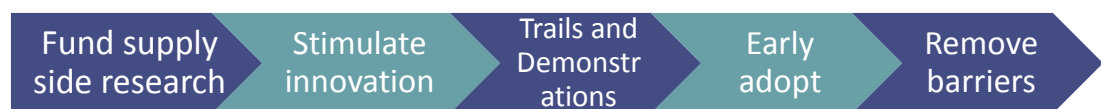


From the suppliers point of view,
its all about a credible demand.



- What suppliers 'push' is not always what is needed by the customer
- It would be better for everyone if customers expressed their needs to suppliers
- And having done so.....
- They then **create the conditions for innovation** to compete on an equal playing field within the procurement process
- **How?**

- A spectrum of innovation procurement

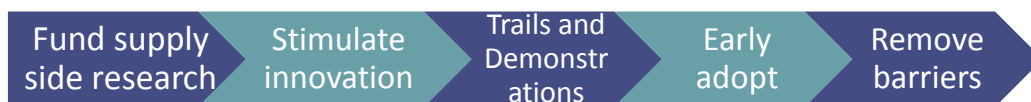


- A spectrum of innovation procurement



PCP = Pre-Commercial Procurement
Customer funds / directs **research** towards developing essential goods and services to meet an unmet need / requirement

- A spectrum of innovation procurement



PCP = Pre-Commercial Procurement
Customer funds / directs **research** towards developing essential goods and services to meet an unmet need / requirement

PPI = Public Procurement of Innovation

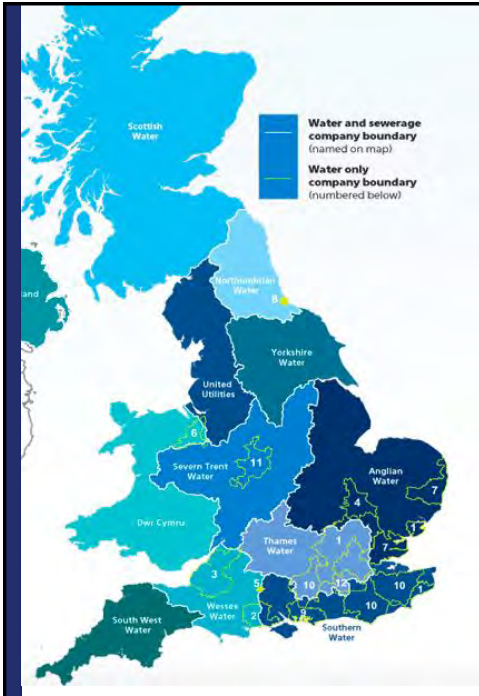
Creating opportunities and market conditions for suppliers to develop and / or supply innovative or new to market **goods and services**

Innovation Procurement in practice (How)

- **Anglian Water:** A challenged based approach
- **Ministry of Justice:** Changing the procurement approach
- **Smart Water by In-touch:** Procurement barriers to new solutions
- **Rotherham Hospital:** Demand led innovation (if time)

- The case of **Anglian Water** ...
- A challenge based approach
- Stimulating suppliers to innovate to enable the organisation to deliver its goals



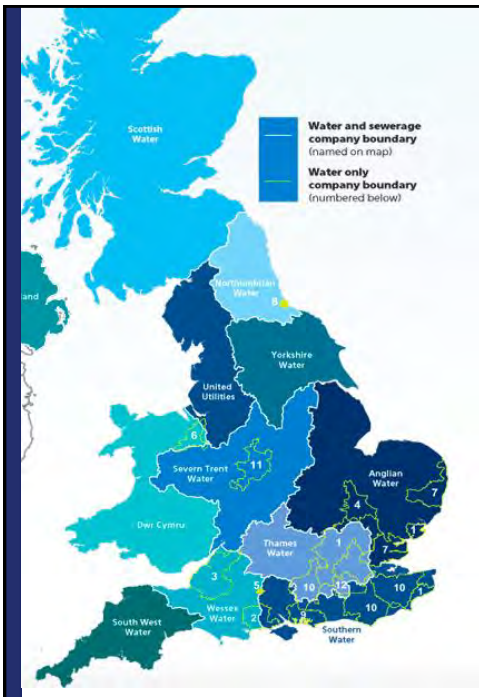


Our goals

- No accidents.
- No incidents.
- No pollutions.
- 100% of our customers very satisfied with our service.
- Frontier performer in the UK.
- Employer of choice.
- Lead and champion the effective management of the impact of growth and climate change.
- Zero waste. Get it right first time, every time.
- To deliver a 70% reduction in capital (embodied) carbon by 2030 from a 2010 baseline.
- To exceed a 7% reduction in real terms in gross operational carbon by 2020 from a 2015 baseline.
- Make a positive difference to the communities we serve.
- Pioneer responsible water stewardship.

Organisational goals:

- To deliver a 70% reduction in capital carbon by 2030
- To exceed a 7% reduction in gross operational carbon by 2020



Cannot deliver these alone – need the help of our supply chain

Communicated a challenge to their suppliers

“Help us to deliver these targets and reduce costs. We will share the benefits with you”.

- **Suppliers innovated**
- **Engaged their supply chains**
- **Found ways to reduce carbon footprint and costs**

- *Example: Blue plastic water pipes*
- Blue dye is carbon intensive – now only used on the outside of the pipe
- Water pressure means pipes have to have a certain thickness – but now thinner where there is low water pressure - less plastic
- 90% reduction in carbon. Lower costs. Shared benefits

Clear goals to which the organisation is committed

Connecting up policy objectives with the procurement process

Suppliers innovated to keep business

Anglia Water shared the benefits

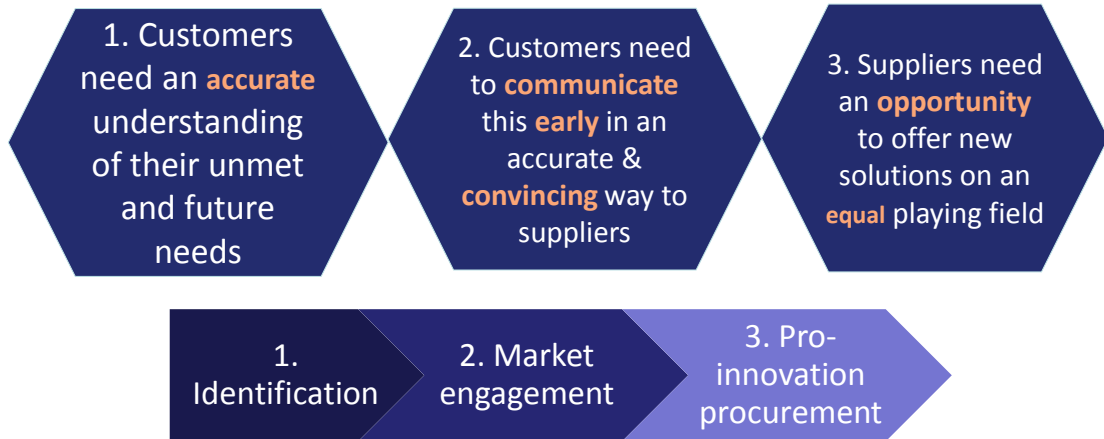


The case of the Zero Waste Prison Mattresses

Changing the procurement approach: Forward Commitment Procurement

- Stopping the 'procurement conveyor belt'
- Single supplier of a highly specified mattress created to address the prison riots of the 1980's.
- 40,000 + waste foam mattresses plus pillows went to landfill every year.
- This conflicted with the organisations sustainability policy and targets
- Many mattresses disposed as clinical waste (expensive).

An innovation procurement process needs three things.....



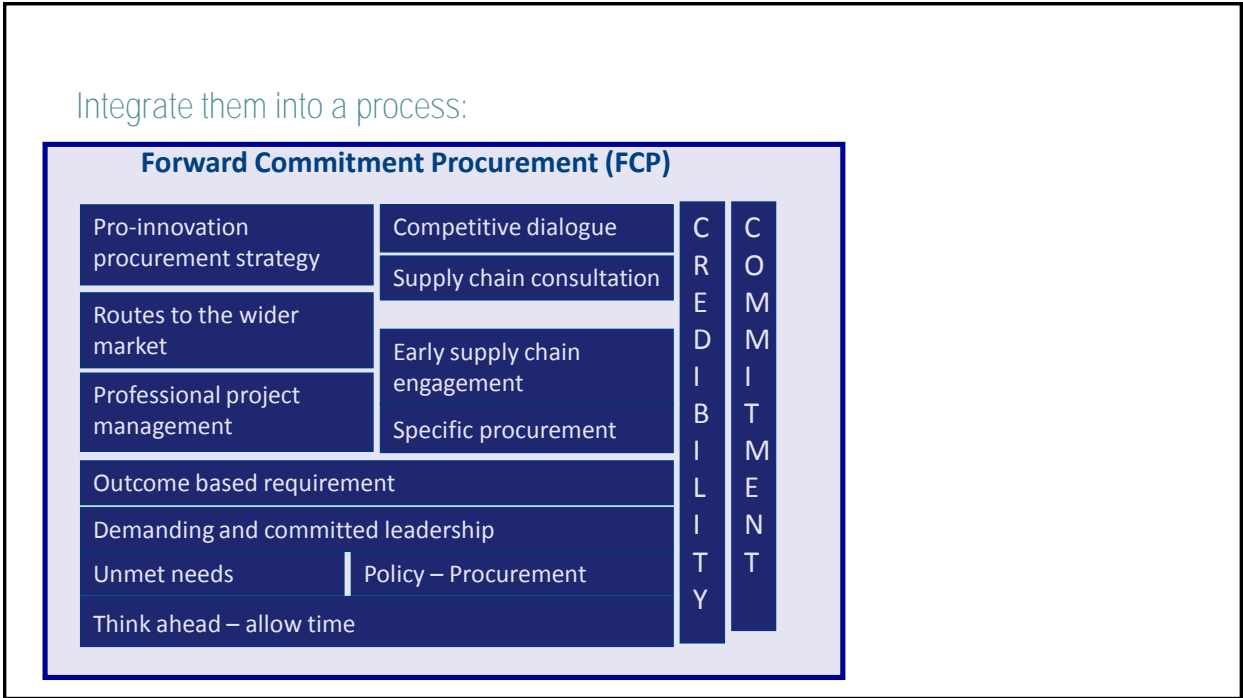
The development of a methodology.....

Take the key features of innovation procurement.....

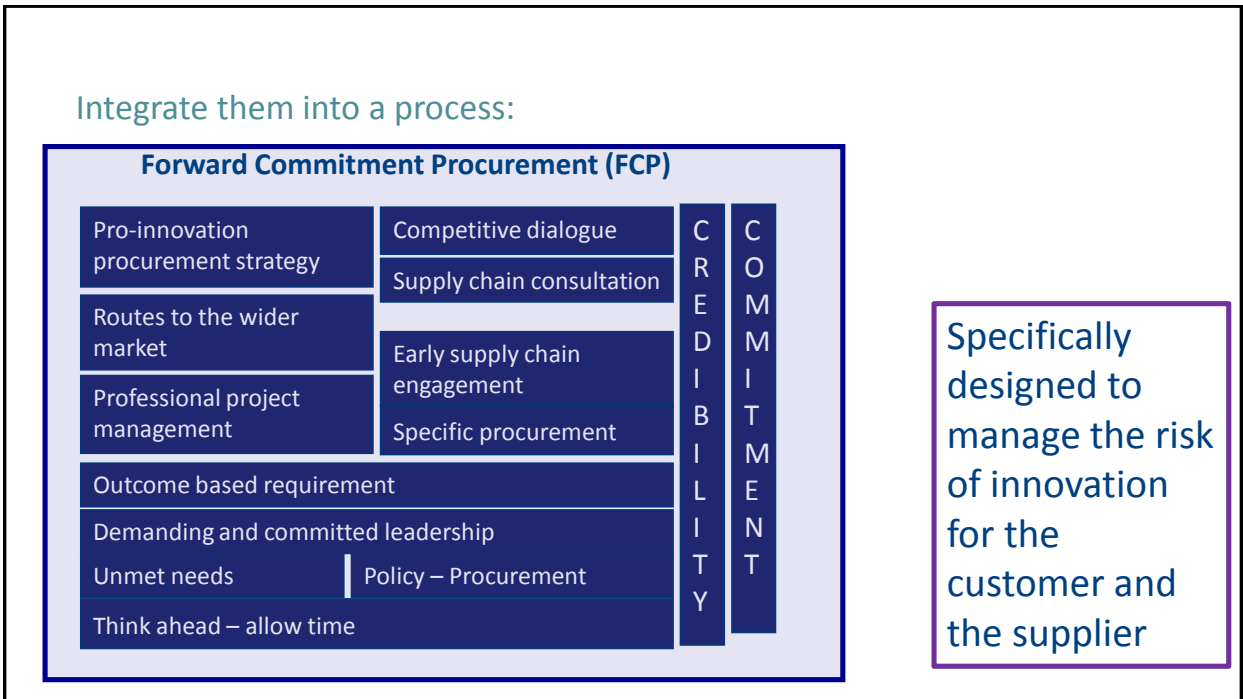
Pro-innovation procurement strategy	Competitive dialogue	C R E D I B I L I T Y	C O M M I T M E N T
	Supply chain consultation		
Routes to the wider market	Early supply chain engagement		
Stakeholder engagement	Specific procurement		
Outcome based requirement			
Demanding and committed leadership			
Unmet needs	Policy – Procurement		
Think ahead – allow time			

But how?

Integrate them into a process:



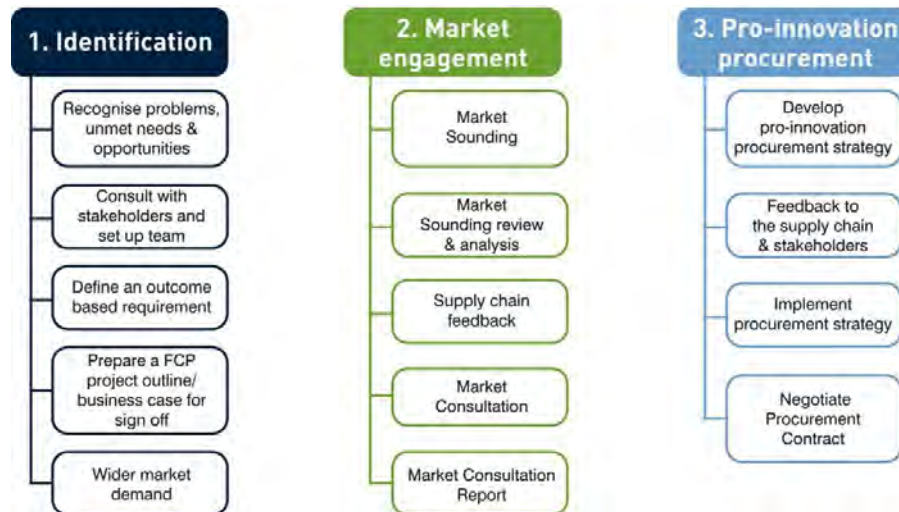
Integrate them into a process:



Specifically designed to manage the risk of innovation for the customer and the supplier

Methodology

Forward Commitment Procurement (FCP)



The case of the Zero Waste Prison Mattresses

1. Identification stage

- An assessment of the full and (hidden costs) of the mattress life cycle included disposal
- High volumes of landfill waste **and increasing** cost of disposal
- Difficult to clean (so threw away)
- Time consuming for staff
- Unpopular with prisoners
- Popular with security

1. Customers need an **accurate** understanding of their unmet and future needs

2. Market engagement

- Unmet need communicated to the market pre-procurement
- 45 responses
- Concept viability workshop with suppliers:

The same supplier won the new contract

3. Procurement

- "zero" years, security req

Outcomes

- No mattresses to landfill (recycled as carpet underlay)
- Cost saving €5 million based on whole life costs



Success factors?

- Genuine need to address policy and cost problems
- Thorough analysis of the current situation
- Involved all stakeholders
- Understood the whole life cost
- Outcome based specification
- Allowed TIME for innovation
- Evaluated on whole life costs

The case of SmartWater by Intouch Ltd

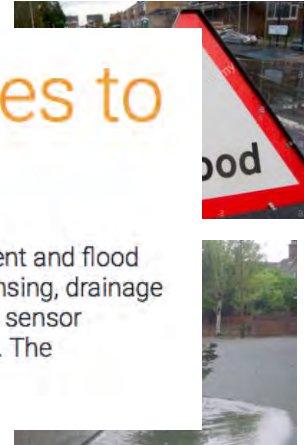
How the tendering process can block the adoption of new technology



Target your problem gullies to help prevent flooding

InTouch SmartWater is an innovative approach to drainage asset management and flood prevention. Our solution provides a staged, managed approach to gully cleansing, drainage information gathering and management of gully cleansing. The system uses sensor technologies and real time weather data to help predict and prevent flooding. The system also provides automated flood alerts.

to oversee and manage. Used to make sense.



The case of SmartWater by Intouch Ltd



- Local Authorities were historically buying a maintenance regime *rather* than outcomes, that is:
 - “Visit and clear gullies once a year”
 - *Versus*
 - “Provide a cost effective gully maintenance service to ensure drains are kept clear and risk of flooding eliminated”.
- **Implications?** The (30-40%) cost benefits of the smart technology is eliminated and invisible in the procurement process
- In one example, the customer was aware of the solution and had tested it, but the specification **still** required a strict regime (used the same specification as previously)

Increasingly the word 'innovation' may appear in a tender document but then the solution is over specified allowing no room for alternative approaches.

Tenders should be open to innovation in constructing tenders to operate on the outcomes rather than regimes of inspection

A large number of regular public procurements are perfunctorily conducted (i.e. the procuring agency or unit describes the same product as in previous procurements in a routine manner). A routine of simply describing the previously procured products makes it difficult or impossible for new products (innovations) to be accepted. (Jon Mikel Zabala)

For delivering are savings offered frequent cuts in risky – what if the solution doesn't work and we have to go back to traditional gully management?

JERA CONSULTING
www.jeraconsulting.com

Case example: Ultra Efficient Lighting for Future Wards

- **Opportunity:** Refurbishment planned over 8 years: CEO Vision for 'hospital of the future'
- **New approach (FCP)** = ambitious leadership, engaged all the key stakeholders, ambitious requirement, market engagement, pro-innovation tendering
- **Outcome based requirement?**
- 'smart, ultra efficient lighting, future ready, progressive improvements, cost effective, replicable, improves the patient environment'



Communicate the need to the supply chain **in a way they can understand and that stimulates a response.....**

We need to deliver these **outcomes**.
We need **to buy** a solution within 3 years.
We can make a **forward commitment** to buy. **Other hospitals** are interested.

What are our options?

Is it worth my investments?



Ultra Efficient Lighting for Future Wards

- Outcome requirement communicated in market sounding and consultation workshop
- Supply chain feedback led to a revised **outcome based** specification



Not Ambitious

Innovative, value added, smart, ultra efficient lighting systems that can deliver

- Outcome specification
 - Patients first, and *of course* solution needs to be sustainable and energy efficient
 - Progressive improvements
 - Future ready
 - Affordable
 - Replicable

A demonstrable **step change in energy efficiency** with **progressive improvements** in energy efficiency and operational performance over the life of the project;

A fully installed and **future-ready** solution.

Ambitious

Pro-Innovation Procurement

- A ‘**pro-innovation procurement strategy**’ creates a sound basis for the procurement process
- Key features:
 - Outcome based specification
 - Pro-innovation specifications
 - Competitive Dialogue
 - **Emphasis on innovation maintained**
 - e.g. Pre-qualification Questionnaire (PQQ)
 - Demanding and committed customers
 - Forward commitment
 - Balanced evaluation criteria
 - Whole-life costing / TCO
 - Stimulating wider demand

Supply contract - 131211-2009

131211-2009 301 European Commission - Supply contracts - Pre-innovation procedure	
UK: Ashburham - lighting systems	
2009/131211	
CONTRACT NOTICE	
Supplies	
SECTION I. CONTRACTING AUTHORITY	
(1) NAME, ADDRESS AND CONTACT POINT(S)	
Ashburham Contract House Dunwood Hall Moorings Road Cottlands Hill, Ashburham Ash, M. Andrew Cawley 01293 510000 UNITED KINGDOM Tel: +44 170324213 Email: procurement@ashburham-trust.org.uk Fax: +44 170324203	
(2) TYPE OF THE CONTRACTING AUTHORITY AND MAIN ACTIVITY OR ACTIVITIES	
Body charged by public law The contracting authority is purchasing on behalf of other contracting authorities No	
SECTION II. OBJECT OF THE CONTRACT	
(1) DESCRIPTION	
8.1.1) Title attached to the contract by the contracting authority Ultra Efficient Lighting	
8.1.2) Type of contract, level, location of works, place of delivery or of performance Supplies Main place of delivery: The Ashburham NHS Foundation Trust/Moorings Road/AshburhamSO10 2UD. NUTS code UKS	
8.1.3) The notice involves A public contract	
8.1.4) Information on framework agreement No	
8.1.5) Short description of the contract or purchase(s) Ashburham NHS Foundation Trust (the Trust) is planning a major ward reconfiguration and refurbishment programme over the next 7 years. The Trust is inviting Expressions of Interest to supply a Future ward Lighting solution. Following extensive market engagement the Trust is seeking to procure a complete lighting solution for Future Wards to deliver the required outcomes. As the scope the complete lighting solution is expected to incorporate a whole life approach design, turnkey and complete, to the scope the complete lighting solution is expected to incorporate a whole life approach design, turnkey and complete and their integration with the ward installation, maintenance, end of life management and future proofing. The following requirements will provide the core of the outcome based specification. A step change in patient experience is creating a pleasant healing environment with patients being in control of bed zone lighting levels and ambience and provide the lighting necessary to perform clinical requirements and incorporating measures to reduce the risk of hospital acquired infections. Performance over the life of the project. Performance over the life of the project. The Trust will also seek innovative financial and commercial approaches. The Trust recognises that the products and services to deliver the requirements may still be in development and/or not currently commercially available. The Trust recognises that the Trust will consider making a Forward Commitment if required. Interested parties are asked to register their interest through the following tender portal: https://www.ashburham-trust.org.uk/procurement . On the portal you will be able to access the Pre-qualification Questionnaire that provides detailed information about the requirement and context for this exercise that was issued as part of the Pre-qualification Notice.	
8.1.6) Common procurement vocabulary (CPV) Procurement of goods (28131000) (28131000)	
8.1.7) Contract covered by the Government Procurement Agreement (GPA) No	
8.1.8) Division into lots No	
8.1.9) Variants will be accepted No	
8.2) QUANTITY OR SCOPE OF THE CONTRACT	
8.2.1) Total quantity or scope Excluding VAT 2 000 000 GBP	
8.2.2) Options No	
8.3) DURATION OF THE CONTRACT OR TIME-LIMIT FOR COMPLETION Duration in months (6) (from the award of the contract)	
SECTION III. LEGAL, ECONOMIC, FINANCIAL AND TECHNICAL INFORMATION	
8.4) CONDITIONS RELATING TO THE CONTRACT	

- New to market solution developed
- No cost to the customer
- Multiple benefits
- Future ready
- SAME COST as traditional refurbishment
- Lower operational costs

“From the start we said that the solution had to be cost effective and affordable. We have not been disappointed.

The outcome shows that better and more sustainable does not have to cost more”. *Steph Holmes, Head of Procurement.*



The IMI Ward is an off site fabricated, modular, future ready, integrated patient environment, improving the efficiency of the lighting and energy use.

The IMI Ward - Design Benefits

- Personal space and privacy
- Increased storage
- Bio-dynamic lighting
- Intuitive icon lighting control
- Modular and flexible solutions

The IMI Ward - Construction Benefits

- Off-site fabrication
- Factory made quality
- Quick installation
- Same cost as traditional
- Fewer suppliers and trades to coordinate

The IMI Ward - Operational Benefits

- Reduced patient anxiety
- Local linen storage
- Easy to clean and maintain
- Reduced energy consumption / cost
- Reduced maintenance time / cost





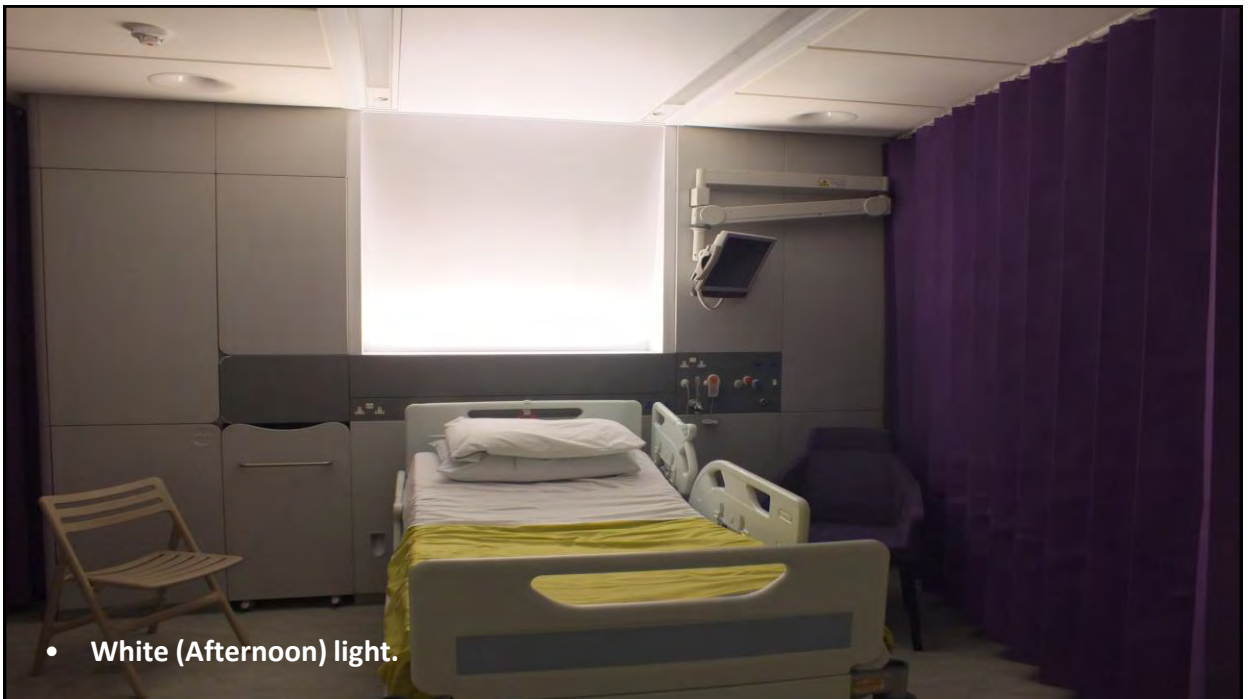
• Warm white (sunrise) wake up light.



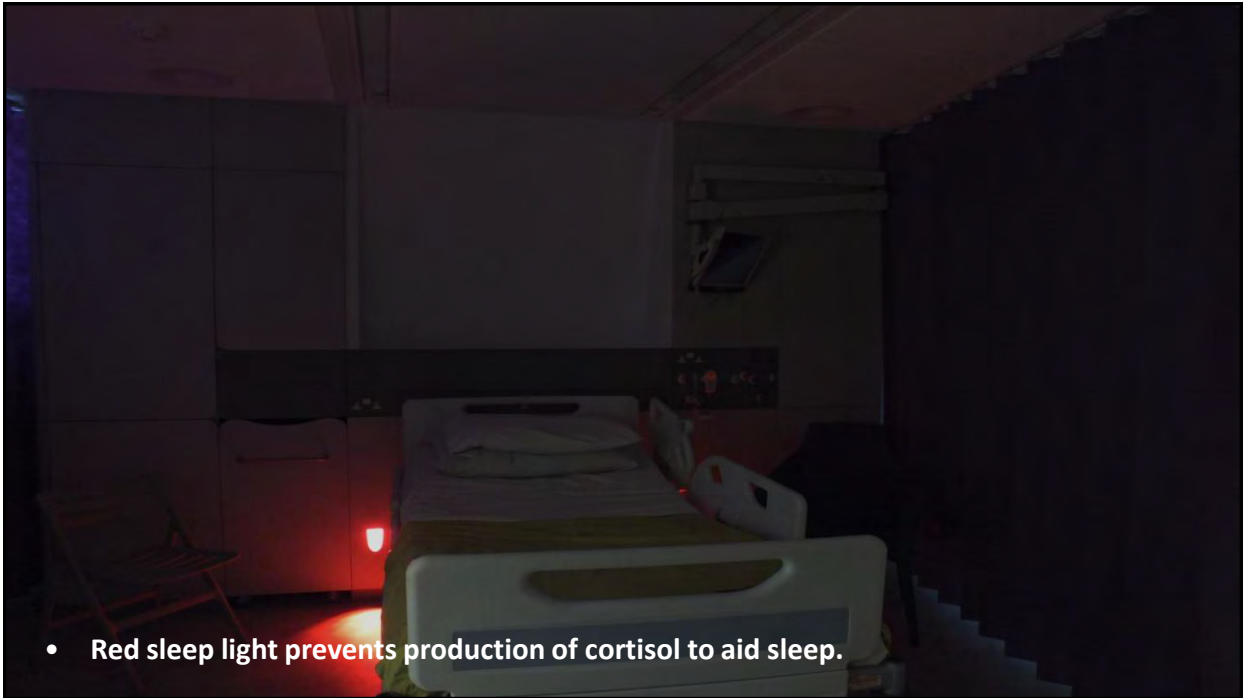
• White (Breakfast) light.



- Crisp White (Mid day) light. [Blue light to reset body clock]



- White (Afternoon) light.



- Red sleep light prevents production of cortisol to aid sleep.

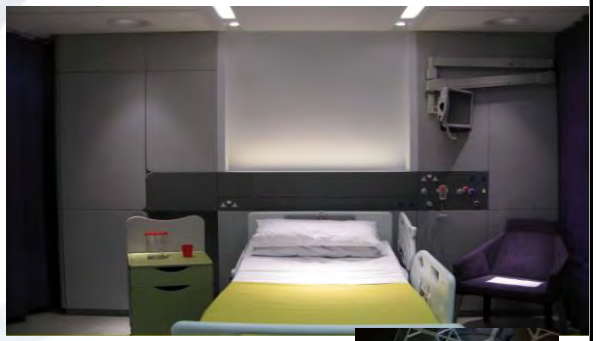
You get what you ask for.....



An energy efficient bed lamp



Step change in the patient experience and energy efficiency, future-ready bio-dynamic lighting



Efficiency
Quality AND
Sustainability



(future ready for
Organic LEDs)

Tools of the trade: summary

Pre-procurement		In Procurement	
Stakeholder Engagement	Signposting a wider market		
Outcome Based Requirement	Sign posting progressive improvements		
Market Sounding		Outcome Based Specifications	
Market Consultation Workshops		Competitive Dialogue	Wider Market Development
		Trials in the Procurement Process	Innovation Partnerships ?
		Whole life costing TOC	Balanced Evaluation Criteria
		Progressive improvements / standards	

Final message

- Procurement is overlooked as a strategic tool
- You can always do **something** to support, stimulate and enable innovation in your procurement process
- “You can’t out-source thinking”



Thank you!



Gaynor.whyles@jeraconsulting.com

Connect via the Procurement Forum
MED PPI Network
or via Linked-in



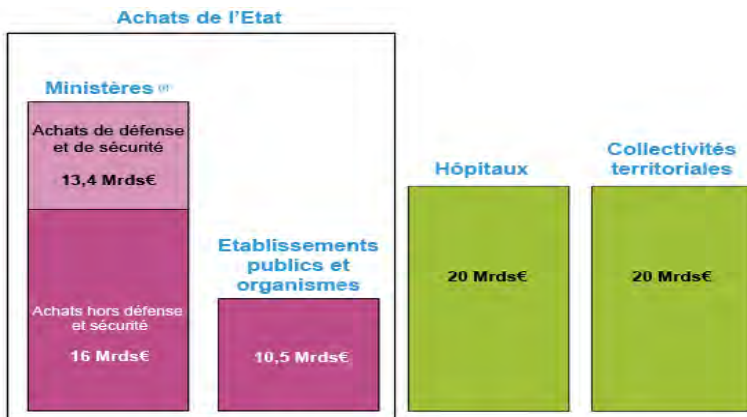
Direction des Achats de l'État

Public procurement of innovation: the strategy of the French national administration

Samira BOUSSETTA,
Ministry of action and public accounts



Key figures on State purchases



■ Périmètre d'intervention de la DAE

(1) Source Cartographie 2015



The scope of the Directorate of State Procurement (“DAE”)

- **A real challenge for public finances:**
 - The state's purchases amount to over €26 billion per year (€16 billion for government services, excluding defense and security purchases, and €10.5 billion for state institutions).
- **The decree of 3 March 2016 establishing the “DAE” affirms its inter-ministerial field and defines precisely its four major missions:**
 - Inter-ministerial tenders;
 - The purchasing organization;
 - The professionalization of purchasers;
 - Purchasing tools et e-procurement system
- **The creation of the “DAE” come with a reinforced regional level by the creation of the regional procurement platforms (“PFRA”) attached to the prefects of regions and headed by purchasing managers.**

3



The strategic orientations 2016-2019 for the purchases of the French state and its public institutions

- **To increase purchasing savings across the entire perimeter (ministries and public institutions):**
 - For the ministries: 325 M€ in 2016, 375 M€ in 2017, 400 M€ in 2018 ;
 - For the public institutions: 250 M€ in 2016, 275 M€ in 2017, 300 M€ in 2018.
- **To respect the objectives of sustainable development and social development.**
- **To increase the share of state purchases from SME's, in particular at the territorial level.**
- **To increase the volume of purchases integrating an innovative solution.**
- **To reinforce the efficiency of the procurement function through the professionalization of various players in the procurement process.**

The “DAE” submit an annual report to the Prime Minister and the Minister in charge of the action and public accounts which describes the actions implemented (state & public institutions) and the outcomes.

4



Innovation in state purchases

The context :

- Measure 32 of the 2012 National Pact for Growth, Competitiveness and Employment set a trajectory for the dissemination of innovative purchases in public procurement, targeting purchases from SMEs and mid-cap companies;
- The target set for 2020 is 2% of innovative purchases compared to the overall annual volume of purchases by the State and its public institutions.

Goals :

- Respond to need by substituting new processes, when they are sources of value creation and the buyer can demonstrate that they generate direct savings or overall cost;
- Improve service to users or agents and the effectiveness of missions and trades.
- Grow SMEs and midcaps by allowing them, through the award of public contracts, to have references to open new markets for them in private or export orders;



Innovation in state purchases

The 4 axes: an action plan presented during the conference of the secretaries general of October 13th, 2016 which defined 4 main axes and which was then validated by the DAE

- Better structure at the level of the ministries the approach for the development of the innovative purchases as well as the follow-up of the objective of 2% ;
- Give a role to regional procurement platforms ("PFRA") on behalf of the State in detecting innovative solutions brought by SMEs in the regions;
- Strengthen collaboration between buyers and the regional directorates for enterprise, competition, consumer affairs, labor and employment (DIRRECTE) in the approach of innovative SMEs;
- Overcoming reluctance (especially those of prescribers) and ensure a more systematic use of innovative purchasing.



Legal tools or soft law

- 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
- Decree n° 2014-1097 of 26 September 2014 on simplification and innovation partnership
- Prime Minister's circular of 25 September 2013 describing the organization of support for innovation through public procurement
- Innovative Purchasing Guide published by the Directorate of Legal Affairs of the Ministry of Economy
- Factsheet on the Innovation Partnership published by the Legal Affairs Directorate of the Ministry of the Economy



Completed actions

Since 2012, new tools and methods have been implemented by DAE, Ministries and their public institutions

- An awareness and communication campaign was launched with the organization of two major national conferences in 2012 and 2013
- Each Ministry has published its 2013-2020 Innovation Procurement Strategy Roadmap
- Each department must detail in its annual procurement schedule the projects that are open to innovation
- At the regional level, innovation referents have been appointed in the PFRA and the DIRRECTE to better coordinate the sourcing of innovative companies with state purchasing projects.



Tools for buyers

- ✓ Provision of the "Professional Social Purchasing Network of the State and its Public Institutions" RESPAE and its Purchasing Innovation Community: creating synergies, know-how and exchanges between buyers

Tools for buyers

- ✓ The innovation purchasing platform of the State and its public institutions (with SME Pact): Spontaneous contact of companies to present innovative solutions and Call for skills to question the supplier market on a complex and innovative

<http://www.achatspublics-innovation.fr/>

La Plate-forme des achats d'innovation a été créée par l'Etat pour faciliter la mise en relation entre les ministères et établissements publics et les PME innovantes.

Mise en œuvre par l'association Pacte PME pour le Service des achats de l'État (SAE), elle permet aux entreprises de concrétiser un contact direct avec le secteur public en présentant une compétence différenciée avant la rédaction d'un appel d'offre. La mise en relation peut s'effectuer soit en répondant à un appel à compétences soit en transmettant une proposition spontanée.

Tools for buyers

- ✓ 13 fact sheets to facilitate innovation purchases
- ✓ Focus on the interview grid with innovative companies :
Objective → to qualify the company and its innovation

The grid is structured in three parts:

- Typology of the company, year of creation, workforce, CA references, ...
- Innovation: Integration into the ecosystem of innovation and description of the type of innovation
- Summary and actions to be carried out

Tools for buyers

- ✓ Co-contracting exchange

Benefits of co-contracting :

- Pooling their human resources, equipment, financial capabilities and know-how
- Access to contracts where, separately, they would not have had the technical and / or financial capacity to respond
- Increase the number and quality of their references

La bourse à la cotraitance sur la Place

Mode d'emploi



La bourse à la cotraitance est un outil de mise en relation pour faciliter la création de groupements momentanés d'entreprises (GME) de compétences et/ou de moyens.

Tools for buyers

- ✓ Sourcing support: meeting of start-ups and participation in events organized by DAE partners
- ✓ Professionalization of buyers: organization of an acculturation seminar on innovation for state buyers

Thank you for your attention





Adresse de l'extranet :

- Pour les ministères financiers : <http://dae.alize>
- Pour les autres ministères : <http://www.dae.finances.ader.gouv.fr>

Site internet : <http://www.economie.gouv.fr/dae>



Overview of European **Commission's (DG GROW) support** for public procurement of innovation

Matija Matoković
DG GROW – G4

PPI MED Network
Paris, 18 January 2018



Content

- Public procurement package & Start up initiative
- Partnerships with large buyers
- Guidance on public procurement of innovation
- Innovation brokers

EC Communications related to public procurement of innovation (non-legislative)

- Public procurement package (October 2017): initiative for carrying out public procurement more efficiently with a strong emphasis on strategic (including innovative) procurement¹
- Start up and Scale up initiative (November 2016): role of public procurement in helping innovative start ups²

¹ https://ec.europa.eu/growth/content/increasing-impact-public-investment-through-efficient-and-professional-procurement-0_en

² <https://ec.europa.eu/DocsRoom/documents/20262>

Partnership with large buyers

- Motivation: engage with public buyers that have substantial impact on their local public procurement market through the size of their procurement budgets and/or policy impact (green, social, innovative procurement)
- Objective: create a partnership relationship
- State of affairs: preparatory meeting held in December 2017 with interested large buyers. Strategic public procurement high on the agenda

Partnership with large buyers – next steps

- Define existing initiatives and potential synergies with partners
- Policy dialogue on issues related to strategic public procurement
- Exchange of best practice (especially on innovation) via trainings and topical coalitions
- Collaboration on specific topics (joint cross-border procurement)
- Meeting in June 2018

5

Guidance on innovative procurement

- Motivation: expressed need by numerous public buyers for a clear and practical guidance on innovative procurement
- Objective: write a guidance based on practical experience from the projects funded by DG GROW and intended to be used by public buyers with different levels of ambition and appetite for public procurement of innovation
- State of affairs: targeted consultation completed. Analysis of input.

6

Guidance on innovative procurement – next steps

- Adoption expected in February 2018
- Ongoing effort to gather good examples
- Finalise targeted consultation:
https://ec.europa.eu/growth/content/targeted-consultation-draft-guidance-public-procurement-innovation_en

7

Innovation brokers

- Motivation: public procurement of innovation has been possible for a long time but has not picked up, despite the economic potential
- Objective: showcase an example of facilitation of PPI through an innovation broker. Topics related to energy efficiency and sustainability.
- State of affairs: selection of broker in progress (COSME funded)

8

Innovation brokers – next steps

- Pilot: active mid-2018-approx. mid-2020
- Funding for public procurement of innovation projects: COSME WP 2018 (call expected in mid-2018)

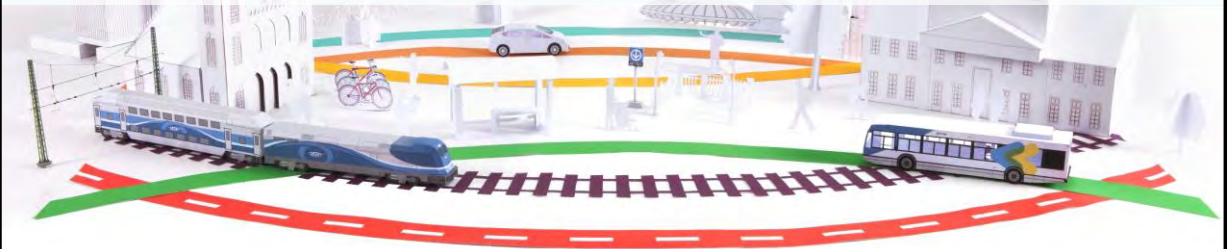
Contacts

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grow-g4@ec.europa.eu

INNOVATION BY PURCHASING

GPE CASE : FOSTER INNOVATION BY REINVENTING PURCHASING PROCESS

John TANGUY, Innovation Director at Société du Grand Paris



@GdParisExpress

THE GRAND PARIS EXPRESS

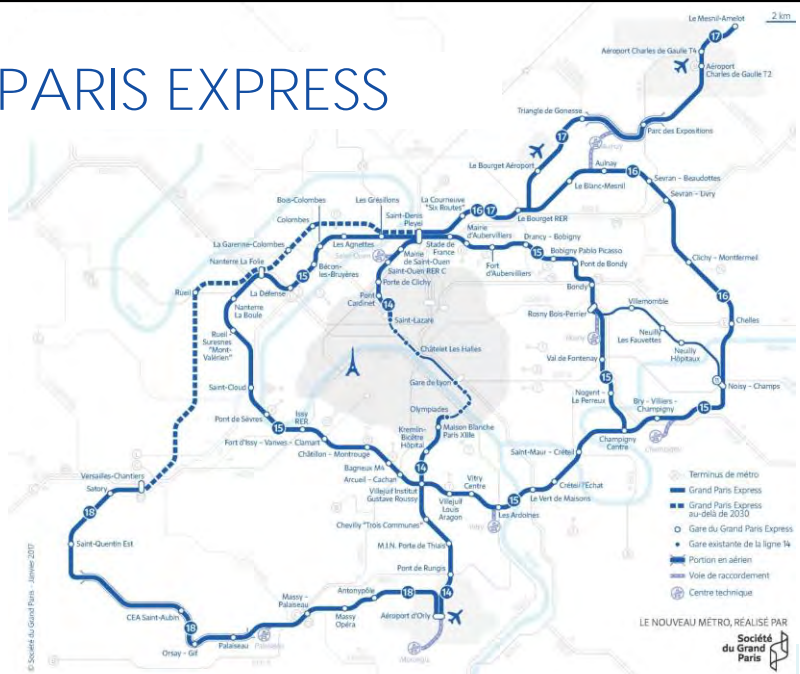
200km
of new railway

68
new train stations
in Ile-de-France

35 billion €
of investment



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LOOK FOR
EMERGING SOLUTIONS
WITH POSITIVE IMPACTS

Société
du Grand
Paris

&

CONNECT
INNOVATION WITH
OUR CORE BUSINESS

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3

TRADITIONAL
PURCHASING PHASE

Société
du Grand
Paris

STRICT SPECIFICATIONS

LIMITED PROCESS

NO VALORIZATION

INNOVATION

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4



OUR CHALLENGE

TURN THE PURCHASING PROCESS INTO AN INNOVATION DRIVER

INVOLVE OUR SUPPLIERS



SCORE INNOVATION




SHARE THE PROFITS



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5

CONSULTATION PROCESS




REQUEST FOR PROPOSAL
REPRESENTS HAND BACK THEIR SUGGESTIONS

EVALUATION OF THE PROPOSITIONS

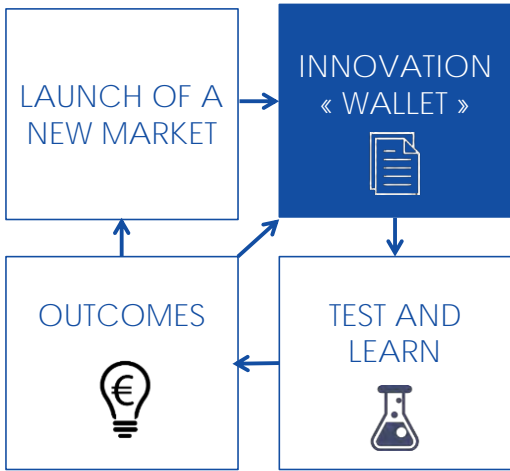
BOARD DECISION
FINALE GRADE & SELECTION

DIRECT IMPLEMENTATION IN THE MARKET OR EXPERIMENTATION



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6



WALLET OF EXPERIMENTATION

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Société du Grand Paris

- * THE SGP BENEFITS FROM STRATEGICAL INNOVATIONS
- * THE PROJECT WILL REINVENT ITSELF EACH YEAR UNTIL DELIVERY
- * THIS PROCESS IMPULSES INNOVATION IN THE CONSTRUCTION MARKET



@GdParisExpress



Société du Grand Paris

THANK YOU

GARE SAINT DENIS PLVH

@GdParisExpress

YPREMA

« Green public procurement:
challenges for suppliers of the circular economy



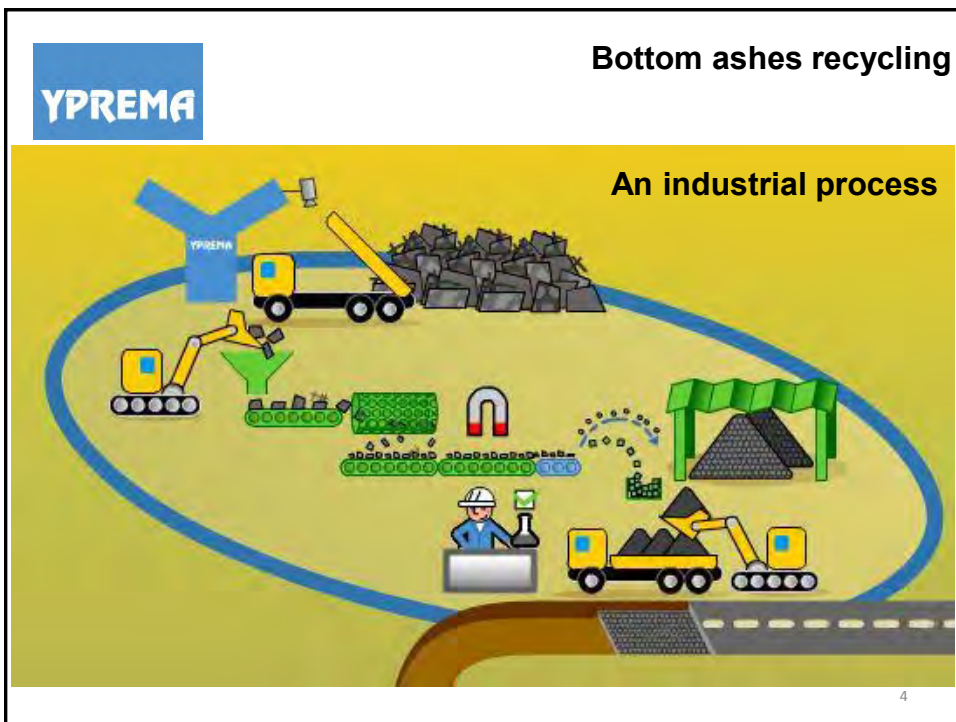
Dr. Audrey Bertrand

-
PROMINENT MED - 18/01/2018

YPREMA

YPREMA : Key figures


- independent company created in 1989
- 27 years in circular economy
- 10 recycling plants in France
- 1 million of tonnes of wastes deriving from building and roads dismantling are recycled every year
- 4 types of wastes : concrete, soil and bottom ashes deriving from the incineration of unsorted household wastes
- 80 employees



YPREMA


Uses of bottom ashes gravels in road construction

Trench backfill




3 cm en enrobé
15 cm en grave ciment
45 cm en ECO GRAVE
Enrobage du fourreau en PVC Ø 45 mm
et lit de pose en sable 0/4
Géotextile

Backfill adjacent to construction




6 cm en enrobé
30 cm en grave ciment
1 m en ECO GRAVE

Roadway



grave bitume
12 cm en Grave Industrielle 0/31,5
30 cm en ECO GRAVE
Plate-forme traitée à la chaux





Riding centers



25 cm en sable
40 à 50 cm en ECO GRAVE

YPREMA

Bottom ashes recycling : a common sense

- 
A circular economy logic
- 
Preserve the natural resources
- 
Reduction of CO₂ from reduction of transportations
- 
Reduction of cost : recycle bottom ashes costs 3 times less than to landfilling

6



Bottom ashes recycling : a common sense

... But only if public authorities are involved and committed

2 contrasting examples :

- case 1 → public authorities, represented by 1 metropolis, which **committed itself to using its own bottom ashes. 250 000 inhabitants**

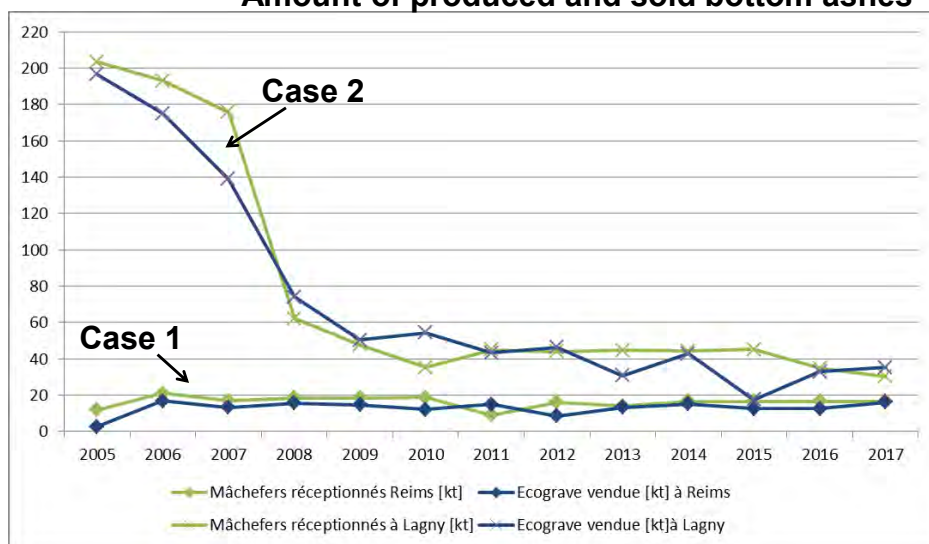
- case 2 → public authorities, that **do not care about environmental or economical issues. 450 000 inhabitants**

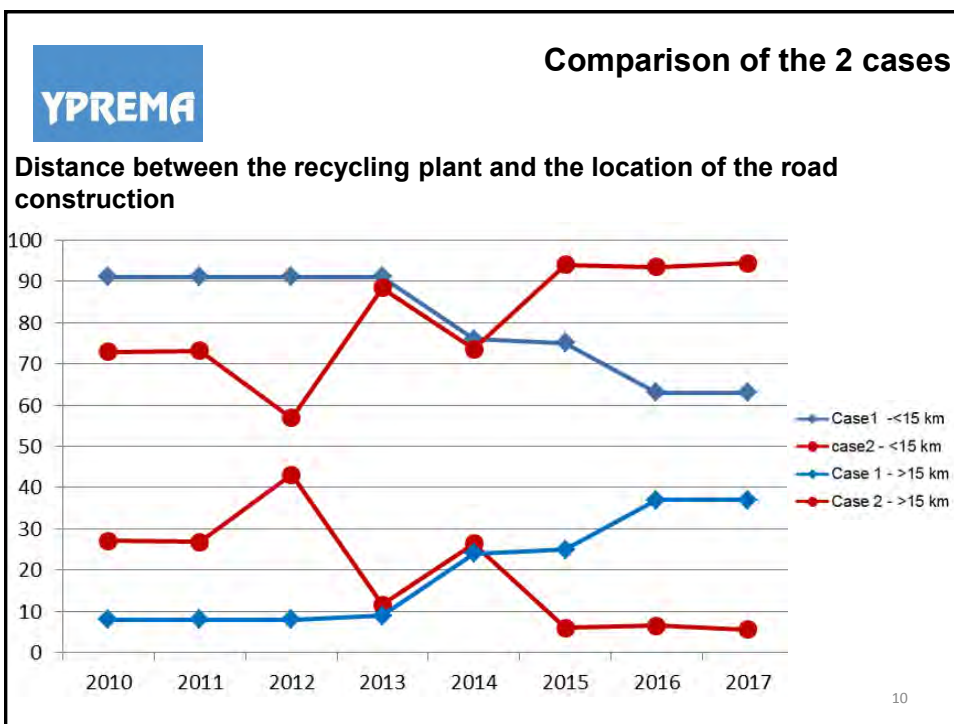
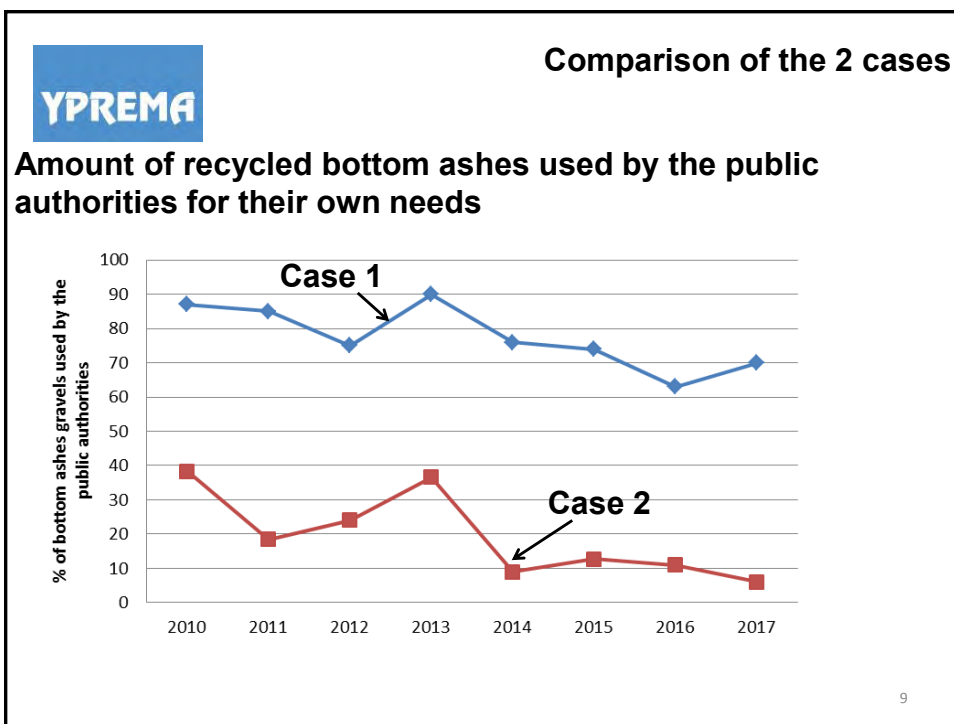
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Comparison of the 2 cases

Amount of produced and sold bottom ashes








Summary

	Case 1	Case 2
Committed authorities	YES	NO
Inhabitants	250 000	450 000
Possible development	Yes : possible opening of a new recycling plant in the nearby town	Closure of the recycling plant
Solution	Yes : road constructions	No : landfilling
ecological consequences	- saving natural resources - reducing CO ₂ emissions because short distances	disturbance of landscape and ecosystems
economical consequences	Spare money	waste of money : 3 times more expensive and reducing the amount of employed people on the territory

11




Conclusion

The commitment of public authorities is of first order to sustain and develop new and already approved methods

12







Gaynor Whyles, JERA Consulting




ABOUT THE PROJECT

Coordinated energy-related PPI actions for cities

 <p>5 CITIES AND 4 EXPERT PARTNERS</p>	 <p>LOOKING FOR SUSTAINABLE ENERGY SOLUTIONS</p>	 <p>THROUGH PUBLIC PROCUREMENT OF INNOVATION</p>	 <p>TO ACHIEVE ENERGY SAVINGS OF 33 GWH PER YEAR</p>
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Birmingham (UK), Budapest (Hungary), Castelló & Valencia (Spain) and Wrocław (Poland) are joining efforts to look for **more sustainable energy solutions through a pro-innovation procurement** approach.



WHO ARE WE?

City Authorities supported by enabling partners with expertise in innovation procurement, energy efficiency and a European local authority network

City Authorities

- Birmingham
- Budapest
- Castelló
- Valencia
- Wrocław

Enabling Partners

- JERA
- Optimat
- STZ
- ICLEI European Secretariat



“There is talk of innovation out there. Winds of change are headed our way. Lock your door, pull the shades and hide under your desk”.


1. DON'T MENTION INNOVATION



2. 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”

CEPPI PPI Action Planning Tool – provides a template to decide what actions are possible.



CEPPI PPI ACTION PLAN

	Pro-innovation procurement
	Procurement strategy
Preparation Actions	Outcome based specification
	Evaluation on whole life costing / Total cost of ownership
Preparation and support actions	Non cost based evaluation criteria
	Competitive Dialogue
Identify procurement and secure permissions for intervention	Wider market development
	Research forthcoming tenders
	Determine tenders with energy saving impact
Alternatively - Identify PPI Actions	Supporting innovative solutions
	Identification of requirement
	Stakeholder consultation
	Review of current offering
	Review of case studies
Enrolment	Cross departmental procurement
	Outcome based requirement
Bench marking	Requiring progressive
	Direct
	Embedding in the organisation
	Wider market development
	Market Consultation
	Market Pounding Prospectus
	Market Sounding Response form
	Communication plan
	Analysis of market sounding responses
	Company Directory
	Market workshop
	Site visits
	Technical Dialogue
	Market engagement report

CEPPIO
ENERGY EFFICIENCY THROUGH INNOVATION PROMISEMENT

3. CHANGE IS HARD

This really is an interesting approach, but I'm afraid we can't consider it. It's never been done before

CEPPIO
ENERGY EFFICIENCY THROUGH INNOVATION PROMISEMENT

50 Reasons Not To Change

- I'm not sure my boss would like it.
- It's too expensive.
- That's someone else's responsibility.
- We've always done it this way.
- It's too political.
- We're doing OK as it is.
- We don't have the staff.
- Maybe. Maybe not.
- We've never done that before.
- We'll catch flak for that.
- It won't fly.
- We're doing OK as it is.
- It can't be done.
- We tried that before.
- This is just a fad.
- Maybe. Maybe not.
- We've never done that before.
- No es mi problema.
- It's too complicated.
- We don't have consensus yet.
- It can't be done.
- We tried that before.
- There's not enough time.
- No se puede.
- It needs committee study.
- I'm all for it, but...
- It's too ambitious.
- No one asked me.
- No es mi problema.
- It's too complicated.
- It's contrary to policy.
- It's not my job.
- It's against tradition.
- There's no clear mandate.
- Me falta ánimo.
- I'll never fly upstairs.
- They don't really want to change.
- It's too radical.
- It's hopeless.
- We can't take the chance.
- They won't fund it.
- It's too radical.
- There's too much red tape.
- It's not our problem.
- We're waiting for guidance on that.
- It won't work in this department.
- It will never fly upstairs.
- They don't really want to change.
- ¡Nunca pasará!
- It's too visionary.
- We don't have the equipment.
- It's impossible!
- I don't have the authority.
- We didn't budget for it.
- It will take too long.
- What's in it for me?
- They won't fund it.
- We have too many layers.
- It needs more thought.
- They're too entrenched.
- Another department tried that.
- It's not our problem.
- We're waiting for guidance on that.
- It won't work in this department.

4. STOP THE PROCUREMENT CONVEYER BELT

The most energy efficiency MFD is one
that doesn't exist

(And printing costs a lot of money)

Not a more energy efficiency MFD.
Innovative solutions to reduce the
need to print

Make the printing we do highly
resource efficient



5. ENERGY EFFICIENCY IS NOT THE WHOLE STORY

- Innovation can deliver much more than energy efficiency
- What customers and end users really need, and *of course* it has to be energy efficient
- *Eg Street lighting.....security, maintenance, light pollution, culture, architecture, finance, sustainability, integration with smart city technology..... many stakeholders*
- The conversation is moving beyond energy efficiency – energy transition in Cities (see Foresighting report)
- Technical AND financial innovation

18-03-19

Name of the event

6. FRAMEWORK CONDITIONS

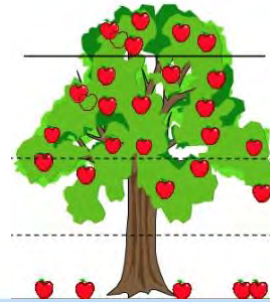
- The nature of the interventions determined by the **framework conditions** within the municipal authorities
- Policy, leadership and vision
- Energy strategy
- Attitude to innovation and risk
- Alignment with, and recognition of, procurement
- Roles and responsibilities
- Capacity and capability

18-03-19

Name of the event

From day to day operations to strategic interventions

1. Operational. All about energy efficiency, operational consumption.
2. Hot spots, renewables. Those more tricky issues, easy opportunities
3. Embedded. Looking beyond immediate energy use.
4. Influencing. Recognising the wider network of stakeholders and leadership role
5. Strategic. Longer term picture and more sophisticated options.



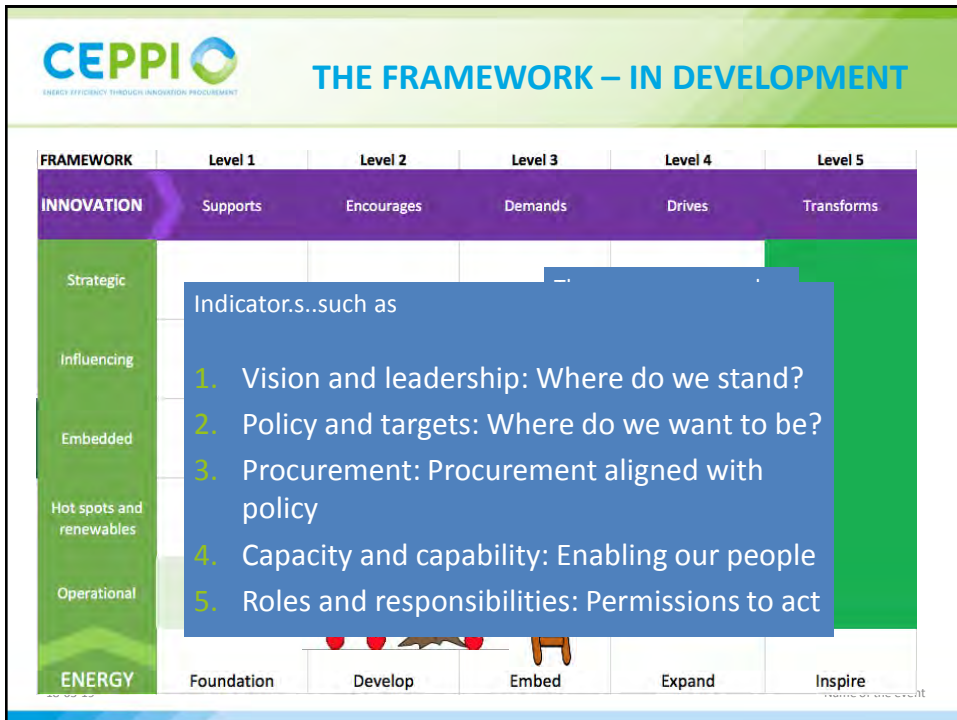
18-03-19

From allowing innovation to market transformation

1. Allows. Removes barriers to innovation
2. Encourages. Provides incentives
3. Demands. Requires innovation
4. Drives. Recognising the wider network of stakeholders and leadership role
5. Transform. Longer term picture and more sophisticated options.

18-03-19

Name of the event



CEPPI
ENERGY EFFICIENCY THROUGH INNOVATION PROCUREMENT

BARRIERS?

- Annual budgets
- Elections
- Changing councillors
- Changing policies and priorities – organisational flux
- Very different approach to procurement - unfamiliar
- Resistance to change - “Not invented here”
- Time and resource pressures
- Policy- procurement gap
- Is innovation procurement really needed...more later ...

ENABLERS?

- Starting small.....but also
- Ambition!
- Incremental approach “you can always do something”
- Action learning - doing not talking
- Case examples
- Capacity building and peer learning events
- Technical support
- New procurement regulations
- External facilitators

THANK YOU

We will be happy to answer your questions.

E-mail us to: info@ceppi.eu

CEPPI
ENERGY EFFICIENCY THROUGH INNOVATION PROCUREMENT

KEEP INFORMED

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www.ceppi.eu

Subscribe to our Newsletter



The screenshot shows the CEPPI Birmingham website. At the top, there is a navigation bar with links for ABOUT CEPPI, ABOUT BIRMINGHAM, CONTACTS & LEARNING, and EVENTS/NEWS. Below this is a large image of a building with the word "BIRMINGHAM" overlaid. Underneath the image are four icons representing different aspects of the project: ENERGY AND ENERGY EFFICIENCY, SOLUTION FOR SUSTAINING ENERGY EFFICIENCY, FINANCIAL MODEL (PROCUREMENT) OF INVESTMENT, and TO WHAT DOES ENERGY EFFICIENCY LEAD? Below the icons is a paragraph of text describing the project's goals and objectives. At the bottom of the screenshot is a "NEWSLETTER" sign-up form with fields for "Name" and "Email", and a "Subscribe" button. The European Commission logo is visible in the bottom right corner of the screenshot.

CEPPI
ENERGY EFFICIENCY THROUGH INNOVATION PROCUREMENT

KEEP INFORMED

Follow us on Twitter: @CEPPI_EU
And join the conversation: #CEPPI_EU

Read our full story in Storify:
www.storify.com/CEPPI_EU



The Twitter logo is shown in blue. Below it is a snippet from a Storify story titled "CEPPI Project". The snippet includes a photo of a group of people in a meeting room. The text below the photo reads: "Birmingham (UK) Energy Efficiency Project (CEPPI) is a project led by the European Commission and the Birmingham City Council. The project aims to improve energy efficiency in public buildings in Birmingham through a public-private partnership (PPP) model. The project is a key part of the Birmingham City Council's energy efficiency strategy. The project is a key part of the Birmingham City Council's energy efficiency strategy. The project is a key part of the Birmingham City Council's energy efficiency strategy." The European Commission logo is visible in the bottom right corner of the Storify snippet.



Project Facts

- Title: Transnational model, strategies and decision support for innovative clusters and business networks towards *green growth*, focusing on green e-procurement in EE/RES for energy refurbishment of public buildings
- Priority Axis 1: Promoting MED innovation capacities to develop smart and sustainable growth
- Programme Sp Obj 1.1: Increase transnational activity of innovative clusters & nets of key MED sectors
- Countries: Greece, Italy, Slovenia, France, Cyprus, Spain, Bosnia Herzegovina



The Consortium (1/2)

- University of Patras - Lead Partner (Greece)
- Atlantis Consulting SA (Greece)
- Terre di Siena Lab (Italy)
- Mountain Community Alto Basento (Italy)
- University of Maribor (Slovenia)
- Inter-District Ass. Electrification & Lightening Haute-Corse (France)
- Ass.Chambers Commerce Veneto Region (Italy)



The Consortium (2/2)

- Veneto region (Italy)
- Dept. of Public Works, Min. of Transport, Communications & Works (Cyprus)
- General Secretariat for Commerce & Consumer Protection (Greece)
- Chamber Commerce/ Industry Terrassa (Spain)
- Dept. for Development & International Projects Govt. Zenica-Doboj Canton (Bosnia Herzegovina)



Project Modules

Module 2

- Test widely instruments, policies, strategies and joint plans from previous initiatives through pilots -- ensuring transferable solutions

Evaluation

- At end of each module, MA/JS verifies activities & deliverables

Module 3

- Capitalise on results from Module 2 of project



Project Goals

- Improve capacity of PAs to
 - manage energy efficiency of their buildings
 - move towards nearly zero energy buildings
- Strengthen SMEs to enter the green energy market
- Validate integrated framework of strategies, methods, dbases, tools



Target groups

- SMEs in involved MED territories
- Local/Regional/National PAs
- Business support organisations
- Academia and technological institutions
- Local policy makers
- General public



Project Results (1/2)

- 1) Unified eGPP platform for PAs and SMEs includes DBs w green criteria, eGPP, LCC tool
- 2) TMN (Transnational Med Network): e-Network where stakeholders of E sector communicate/xchange knowledge, while supporting SMEs w mentoring & business angels.



Project Results (2/2)

- 3) Living Lab leads to dynamic training sessions w active participation by stakeholders → transfer knowledge, e.g. financing, SEAPs, PPIs(35%), PCPs(90%)
- 4) Innovative transnational solutions with practical recommendations to EU decision makers



Barriers

- Challenge: Persuade PAs to involve green criteria in tenders
- Challenge: Active participation by SMEs
- Challenge: Interaction btw public & private stakeholders
- Lacking: E audit measurements pb buildings
- Lacking: €€ financg solns for E refurbishment of pub buildings



Opportunities

- Innovation Procurement
- Pre-Commercial Procurement



Thank you for your attention

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e-mail: markwnna@gmail.com





 Project co-financed by the European Regional Development Fund




Prominent MED in Croatia Major challenges with Public Procurement of Innovation

PPI Peer Learning Exchange

Denis Premec, Ivan Simic – REA North
 Paris, January 18th, 2018





Croatian pilot

- PPI pilot through retrofitting project of prefabricated kindergarten building
- The building is approaching its lifetime end
- City administration tends to extend the lifetime
- Main stakeholders: KG management, City of KC, Hamag-Bicro (Cro Agency for SMEs, Innov. & Investm.)



Project co-financed by the European Regional Development Fund

Prominent MED

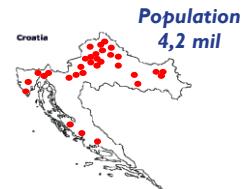
2 |

Identification of needs

- Simultaneous improvement of building (exterior + interior), processes and services
- Important constraint – implementation of any refurbishment measures possible only during the summer break (2 months)
- Anticipate future development of the KG as an institution
- Scalability and replicability as a requirement to attract nationwide interest
- Solutions need to achieve minimum requirements set by the National energy efficiency improvement programmes for public buildings financed by the structural funds

Major challenges

- Small municipalities and sufficient market demand (MED countries known for extremely fragmented public administration hierarchy)
- Innovation procurement as a huge cultural and political challenge, no success stories
- Partners w/o any experience in PPI
- Market demand challenges: poor info about prefabricated public buildings
- Forced to do market research, cities all over Croatia
- 30 similar prefab buildings found → attractive enough to suppliers?






What about supply side

- No relevant facts on successful refurbishment of prefab buildings in Croatia and neighbouring countries
- Prefab buildings industry – only 2 producers of family houses → Engage with neighbouring markets
- B2B meetings with technical experts (conferences)
 - possible prefabrication solutions and directions of development
- Special challenge: breaking up the usual process hierarchy (project designer → contractor → industry)

Building the Credibility

- Building details
 - Energy audit + Specific data collection
 - Building construction analysis
 - Building construction and static analysis (study)
 - Thermography analysis (report)
- Budget construction challenges
 - Prominent MED (200 k€)
 - Own budget (mayor persuaded)
 - Structural funds – meeting with the ministry
- 60+ letters of interest collected
- In process of market engagement activities (profess. support form CGBC, CChE)



Market engagement preparation Oct 2017 – Feb 2018

Identify communication channels, supply-chain contact list

Outcome based requirements
MSP - Market Sounding Prospectus

Create Market Consultation Questionnaire / Response Form for suppliers to complete

Development of web presence / site

National announcement – no joint PIN

Write down PIN - Prior Information Notice



PUBLISH MSP & PIN

Prominent MED

Other partner's countries PIN mentioned as a fact

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Market sounding Feb 2018 – Apr 2018

Supply chain feedback and communication

Market sounding review and analysis

Define and organize Market Consultation Workshop(s)

Carry out Market Consultation Workshop(s) / Site visit(s)

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Med PPI network as a tool to increase understanding and facilitate innovation procurement

- **How could the Med PPI network help to increase awareness and understanding and facilitate innovation procurement going forward?**

Thank you for your concentration!

Denis Premec & Ivan Simic
REA North



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 Società regionale per lo sviluppo economico dell'Umbria


 Prominent MED

PROMINENT MED

Public pROcureMent of INnovation boosting greEN growTh in MED area

Innovation Procurement in small MED municipalities: challenges and opportunities

DIEGO MATTIOLI


 Prominent MED

FOCUS 1: ITALIAN PILOT



The Kindergarten “Gianni Rodari” located in Narni hosts about 200 people (children, teachers and assistants).

The building is all at ground floor (net floor area 1248.83 m²), built with a structure in reinforced concrete


The kindergarten operates 11 months per year and due to the limited thermal insulation the building cannot ensure adequate conditions for the hosted children (6-36 months)


 Edificio di classe: F
 Prestazione energetica Globale
 CLASSE ENERGETICA F
 EP_{gl,unten} 306,2816 kWh/m²/anno

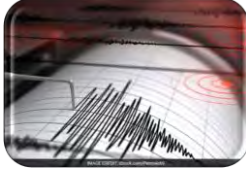

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NEEDS ANALYSIS RESULTS



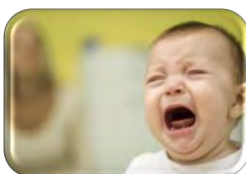
Thermal Insulation



Seismic resilience




Sensory Learning



Acoustic insulation


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WHAT WE ARE GOING TO DO?

STEP ①




Open Market Consultation

Why: in order to discuss with the market possible technical solutions their feasibility, as well as, possible award criteria for the tender i.e. LCA

How: 1) PIN Publication on TED,
2) Web page for informing procurers
3) Questionnaire for gathering Mkt input
4) Info action through institutional channels

Period: 60 days

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WHAT WE ARE GOING TO DO?

STEP ②



Business Case

- **Why:** to support investment decisions before, during and after the project
- **How:**
 - 1) Outline alternatives
 - 2) Define potential cost savings, benefits
 - 3) Better Mkt knowledge
 - 4) Define Technical specifications
 - 5) Identify KPI

Period: 30 days



WHAT NEXT

STEP ③



Identification and launching of the tender

The procedure will be selected according with different criteria: tender specification, scale of investments, possible contractors characteristics, etc

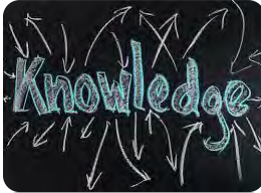
STEP ④

Contract signing and investment realization

Within October 2019 the offer will be selected and the works assigned and realized.



FIRST LESSONS LEARNT

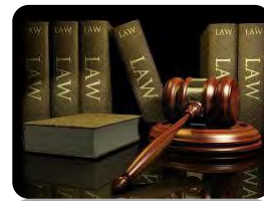


Lack of knowledge and technical expertise:

Small Municipalities have lack of knowledge both in legal and technical matter, and need specific support attuned to their needs

Uncertain legislative framework

In particular in Med Countries the complex regulatory framework jeopardize the possibility to use innovation procurement



FIRST LESSONS LEARNT



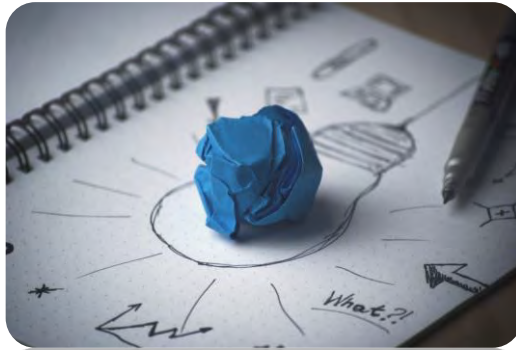
Attract the Market

The low scale of investment imply the low interest of the market

Scalability of the solution

Only demonstrating the scalability of the proposed investment the market can be attracted





**DIEGO MATTIOLI
PROJECT MANAGER**



d.mattioli@noesisonline.eu



<https://prominent-med.interreg-med.eu/>



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 **Ajuntament d'Alzira**

PROMINENT MED: PUBLIC PROCUREMENT OF INNOVATION BOOSTING GREEN GROWTH IN THE MED AREA (1MED15-M12-070)

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3. HOW CAN MED PPI HELP BOOST INNOVATION PROCUREMENT?

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1. PROJECT CONTEXT

A SHORT RECAP









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1. PROJECT CONTEXT

1.1. PPI SPANISH CLUSTER

- **PROMINENT MED PARTNERS**
 - CRIB: Consorci de la Ribera
 - UPV: Universitat Politècnica de València
- **IMPLEMENTING MUNICIPALITY**
 - ALZIRA: Ayuntamiento Alzira
- **TECHNICAL ASSISTANCE**
 - ENERLIS (hired by CRIB): Expert assistance in PPI framework
 - TECNALIA (hired by CRIB): Expert assistance in PPI + Energy efficiency / Market analysis
- **THIRD PARTIES**
 - AVAESEN: Energy Companies Cluster of Valencian Region (Asociación Partner – Companies)
 - GV: Generalitat Valenciana (Associated Partner - Municipalities)

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1. PROJECT CONTEXT

1.2. SPANISH PPI CASE

REFURBISHMENT OLD (1891) ORANGE STORAGE BUILDING (MAGATZEM DE CUCÓ), Alzira, Spain



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2. LESSONS LEARNT...

...TO KEEP ON WALKING



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2. LESSONS LEARNT

2.1. DIVIDE ET IMPERA

2.2. SHARE AND DIALOGUE

2.3. INVEST TIME TO GET VALUE AND IMPACT

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2. LESSONS LEARNT

2.1. DIVIDE ET IMPERA

DIVIDE THE SYSTEM OF ANALYSIS INTO ACHIEVABLE SUB-SYSTEMS

CHALLENGE

Floor
Walls
Windows

Glass

Frames

Shadowing

OUTCOME-ORIENTED REQUIREMENTS / INDICATORS

Uses?
Energy efficiency?
Impact?

Natural light, Orientation
Heat gains / losses
Ventilation
Assembly
Acoustics
Cleaning, security
Sustainability

Key Performance Indicators

Future guidance for the procurement

Dialogue with market

MARKET ANALYSIS

WIDE MARKET

Producers

Suppliers

Installers

Influencers

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2. LESSONS LEARNT

2.2. SHARE AND DIALOGUE

TASK FORCE

CHALLENGE

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SHARE YOUR BEST FIGHT YOUR DOUBTS

- ENERGY
- MATERIALS
- ARCHITECTURE
- PROCUREMENT
- POLITICS
- MANAGEMENT
- PEDAGOGY

COMMON TERMINOLOGY, PROCEDURES, EXPECTATIONS, CHALLENGE

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2. LESSONS LEARNT

2.3. INVEST TIME TO GET MORE VALUE

TRADITIONAL PUBLIC PROCUREMENT

BASE SCENARIO
TECHNICAL SPECIFICATIONS
EXPECTED COST

PROCUREMENT

SPECIFICATION TAKES HIGH TIME

BACKGROUND DOES NOT GUARANTEE KNOWLEDGE

PUBLIC PROCUREMENT OF INNOVATION

BASE SCENARIO
OUTCOME-ORIENTED REQUIREMENTS
EXPECTED BUDGET

MARKET CONSULTATION

PROCUREMENT

MORE VALUABLE TIME

MAXIMISES THE BACKGROUND

BETTER PUBLIC SERVICE

TIME-TO-MONEY CONVERSION

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3. HOW CAN MED PPI HELP BOOST INNOVATION PROCUREMENT?

SHOWCASES IN SMALL MED MUNICIPALITIES



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3. HOW CAN MED PPI HELP BOOST INNOVATION PROCUREMENT?

SHOWCASE YOU CAN

ASSISTANCE



BACKGROUND



PROCEDURES



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KEEN ON SHARING!