Pre-Commercial Procurement (PCP)

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Public sector is faced with important **societal challenges**.

Addressing these, often requires public sector transformations so technologically demanding, that **no commercially stable** solutions exists on the market yet, and forward looking public procurement strategies are needed.

However, public procurement driving innovation from demand side is **underutilised in EU** versus other parts of the world.
Specific approach for public sector to procure R&D services, enabling
- Price/quality products that better fit public sector needs
- Earlier customer feedback for companies developing solutions
- Better take-up/Wider commercialisation of R&D results
Win-win for all stakeholders

**Suppliers**
- Better products
- Economies of scale
- Wider market size
- Shorter Time to market
- First buyer in early R&D
- Shared risks & benefits

**Get the ‘Best Product’...**
- Address ‘public market innovation failure’
- Shape product development to public needs
- Increase technology knowledge
- Reduce risk in commercial tendering
- Favour supplier competition

**Pre-commercial Procurement**
- New lead markets
- Increase export
- Global competitiveness

**Politicians**
- Quality of public services
- Focus on political priorities
- Improve innovation climate
- Attract foreign investment
- Increase employment
- Reduce cost of procurement
- Reduce risk of innovation

... at the ‘Lowest Price’
- Pooling of resources
- Economies of scale
- No licensing costs
- ‘First time right’ product
- ‘EU interoperable’
- Attractive to venture capitalists
- Reduce unforeseen expenditure

**Procurers**
Status of PCP implementation across Europe
December 2013

Awareness Raising
Exploring possibilities
Working on framework
Framework identified and/or Pilots in preparation
Pilots started

Malta
Romania
Cyprus
Bulgaria
Luxembourg
Slovakia
Czech Republic
Switzerland

Latvia
Ireland
Poland
Hungary

Lithuania

Denmark

Sweden

Finland

Spain

SILVER

CHARM

V-CON

Europe

UK

Italy

Belgium

France

Germany

SILVER

V-CON

CHARM

SILVER

UK

France

Italy

Belgium

Spain

New PCP projects recently started in 2013: C4E (Cloud computing), ENIGMA (lighting solutions for cities), IMAILE (e-learning), THALEA (telemedicine for ICU patients at increased risk) + 3 more projects to start soon in e-health and digital preservation.

Examples of on-going EC funded PCP projects doing joint cross-border PCP procurements:
SILVER (Robotics solutions for elderly care), CHARM (Traffic management), V-CON (Virtual Construction / Modelling of Roads), SMART@FIRE (Integrated ICTs for Smart Personal Protective Equipment for Fire Fighters and First Responders), DECIPHER (applications based on Distributed EC Individual Personal Health Records), PRACE 3IP (high energy efficient high performance computing).

Examples of PCPs done by procurers in Member States without EU support: in Norway, Austria, Italy, Spain, UK, etc


Regulatory requirement to seriously reduce CO2 emissions by 2016 without negative effects on health/environment, beyond what market is able to offer

PCP started mid 2011, finished end 2012 (time to market shortened)

compared solution approaches of 5 vendors

Follow-up procurement for deployment in preparation for 2014 (open to whole market)

Examples in Healthcare

Small projects attracting mainly SMEs

Larger project, but demanding innovation requirements, interests both SMEs + larger vendors

Potential Value PCP-like projects to NHS in UK:
- Improve the quality of the patient experience and generate significant cost savings (£236m).

Value to the economy:
- A number of innovators/SMEs have attracted significant extra investment (£290m).

PCP Niguarda Hospital – Lombardy region

Easy-to-use automated universal system for moving hospital beds, with anti-collision and safety systems, not needing guide lines or tracks even on non rectilinear routes
**PCP website:**
Info on calls, EU funded projects, background docs, FAQs, PCP initiatives in Member States and Associated Countries etc