

Positioning Public Procurement of Innovation

Throughout history innovation played a key role creating today's modern society with welfare and well-being for the individual citizen.

Innovation will continue to transform our society in a better world to live in. From this follows that innovation can be defined in a simple, positive and broad way as "change for the better".

While realizing this we will have to solve big challenges facing our society - climate change, energy and resource efficiency, water and waste management, safety problems, the ageing population - to name just a few.

The public sector will play a leading role to generate new opportunities in order to create welfare and wealth and solve the accompanying challenges referred to above.

At the same time governments will be pushed to provide more efficient public services with ever increasing functionality.

This means that the public sector should acquire and catalyse innovation. Yet the products and services required to deliver what is really needed are not always available, are too expensive, or are perceived as too risky. Furthermore the public sector is lacking the necessary structured approach and tools to face these big challenges.

Public Procurement of Innovation can play a significant role in the years to come to deliver the innovation that Europe needs so badly. To this end it has however to be carefully designed.

Can we make this happen? Yes we can! In what follows we will explain that all necessary conditions and tools can be put in place to benefit from innovation while at the same time transforming the Business to Government market into an attractive market for innovative companies.

The public sector, as is the private sector, is characterized by a strategic dimension and an operational dimension. The strategic dimension is filled in by the policy makers and the operational level is taken care of by the public servants delivering services to the citizens to their best efforts. An efficient public service is the result of a balanced interaction between the policy making world and the operational world.

This is also relevant in Public Procurement and more in particular in Public Procurement of Innovation. For that reason our document is structured along these two dimensions: the policy level and the practical procurement level. Based on this we focus with this document on policy makers on the one hand and on Contracting Authorities as procurers on the other hand.

The cases we started from in our work, confirm the findings of other studies that Public Procurement of Innovation is not happening that much or is at least not very much visible, not well structured and efficient tools are not in use to deliver innovative solutions to the challenges we are facing. At best several countries are doing efforts to develop procurement policies for innovation and give a systemic approach to Procurement of Innovation and try out new procurement concepts .

Based on these findings our document focuses on these new policies and concepts topped with some own conceptual thinking. The aim of the document is thus neither to prescribe how policy makers should handle procurement of innovation nor how to procure innovation but more to present a dish to the reader from which he can choose the bits he needs and sees applicable in his national/local context.