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The Strategic Use of Public Procurement for Innovation in the Digital Economy

SMART 2016/0040

*Comparative analysis of results from
benchmarking national policy
frameworks for innovation
procurement*

[DRAFT]

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Table of Contents

1	<i>Introduction</i>	3
2	<i>Key findings</i>	4
<hr/>		
2.1	Ranking and outputs	4
<hr/>		
3	<i>Analysis of results per indicator. Commonalities and disparities between countries</i>	6
<hr/>		
3.1	Indicator 1 – Official definition	6
3.2	Indicator 2 – Horizontal policies	12
3.3	Indicator 3 – ICT policy	17
3.4	Indicator 4 – Sectoral policies	22
3.5	Indicator 5 – Action plan	31
3.6	Indicator 6 – Spending target	37
3.7	Indicator 7 – Monitoring system	39
3.8	Indicator 8 – Incentives	44
3.9	Indicator 9 – Capacity building and assistance measures	51
3.10	Indicator 10 – Innovation friendly public procurement market	63

1 Introduction

Strategic use of innovation procurement can help tackle social and global challenges, being a tool to modernize the public sector and speed up the time-to-market for innovations. However, its potential is not fully exploited.

PwC is supporting DG CONNECT in benchmarking the policy framework of innovation procurement of all EU Member States, Norway and Switzerland. This is the first attempt to collect systematically data on innovation procurement: the aim of the benchmarking is to map the progress made in the 28 EU Member States, Norway and Switzerland on implementing a mix of policy measures to mainstream innovation procurement across all sectors of public interest. It allows to evaluate their actual performance in this field and assess the maturity of their policy system, enabling the European Commission to better develop policy recommendations to strengthen the public demand drive for innovation in the whole EU.

The key output of this exercise is a set of 30 country factsheets (available as a separate appendix) that assess the national policy frameworks for innovation procurement in each country according to the same criteria set out in the benchmarking methodology (available as a separate appendix).

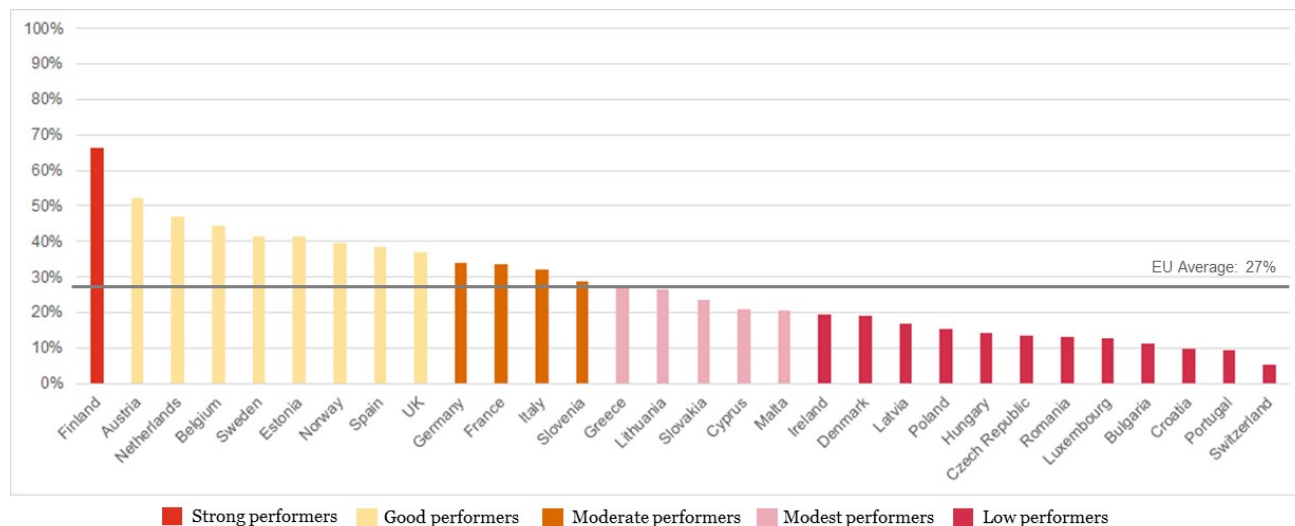
This document provides an in-depth comparative analysis of results achieved by countries in each of the 10 indicators – and their relative sub-indicators – that were used to assess the implementation of innovation procurement. In addition to presenting national scores, an analysis of the main differences and commonalities between countries and clusters of countries is also provided. Any additional contributions and evidence collected during the final phase of the consultation – running from mid-November until mid-January – will be reviewed and included in the Final Report.

2 Key findings

2.1 Ranking and outputs

The following graph presents the overall ranking of the 30 countries on the basis of the scores assigned to the ten indicators that are compounded into one total score according to the benchmarking methodology.

Figure 1 – Overall ranking and clustering



All countries are clustered into 5 groups according to their standard deviation (s-score) from the EU average. This indicates their **degree of advancement on the innovation procurement policy framework**. The table below lists the total scores of the countries clustered into the 5 groups.

Table 1 - Individual country scores, s-scores and clustering

Country	TOTAL	S-score	Cluster
Finland	66,5%	2,7	Strong performer
Austria	52,3%	1,7	Good performer
Netherlands	46,9%	1,4	Good performer
Belgium	44,4%	1,2	Good performer
Sweden	41,5%	0,1	Good performer
Estonia	41,4%	1,0	Good performer
Norway	39,5%	0,8	Good performer
Spain	38,3%	0,8	Good performer
UK	37,0%	0,7	Good performer
Germany	34,1%	0,5	Moderate performer
France	33,6%	0,4	Moderate performer
Italy	32,3%	0,4	Moderate performer
Slovenia	28,7%	0,1	Moderate performer
Greece	26,9%	-0,02	Modest performer
Lithuania	26,4%	-0,1	Modest performer

Country	TOTAL	S-score	Cluster
Slovakia	23,5%	-0,3	Modest performer
Cyprus	20,8%	-0,4	Modest performer
Malta	20,6%	-0,5	Modest performer
Ireland	19,6%	-0,52	Low performer
Denmark	19,2%	-0,54	Low performer
Latvia	16,7%	-0,7	Low performer
Poland	15,3%	-0,8	Low performer
Hungary	14,4%	-0,9	Low performer
Czech Republic	13,6%	-0,9	Low performer
Romania	13,3%	-1,0	Low performer
Luxembourg	12,6%	-1,0	Low performer
Bulgaria	11,1%	-1,1	Low performer
Croatia	9,6%	-1,2	Low performer
Portugal	9,5%	-1,2	Low performer
Switzerland*	5,3%	-1,5	Low performer

**The total score for Switzerland has been calculated taking into account all the indicators except for Innovation friendly public procurement market. This is due to the lack of data from the EU Single Market Scoreboard.*

The **highest score is achieved by Finland** (66,5%), followed by Austria (52,3%), the Netherlands (46,9%) and Belgium (44,4%). The **average** of the 30 countries considered (EU28, Norway and Switzerland) is **27,2%**, highlighting that **innovation procurement policy framework is still rather immature** in the majority of the countries. More than one third of the countries (12) do not reach a 20% overall score and apart from Finland that is a strong performer also the good performers have room for improvement, as they do not reach yet a 60% score.

Finland is the only **strong performer** with an s-score that is more than 2 points above the European average (the 30 country average). It is followed by a group of **good performing countries** composed by Austria, the Netherlands, Belgium, Sweden, Estonia, Norway, Spain and the UK. All of them have an overall s-score between 0.5 and 2 points above the European average. These are followed by the **moderate performers**, namely Germany, France, Italy and Slovenia, which have an s-score between 0 and 0.5 points above the European average. Below the European average there are the **modest performing countries** (Greece, Lithuania, Slovakia, Cyprus and Malta), with an s-score that is maximum 0.5 points below the European average, and the **low performers** (Ireland, Denmark, Latvia, Poland, Hungary, Czech Republic, Romania, Luxembourg, Bulgaria, Croatia, Portugal and Switzerland) with an s-score that is more than 0,5 points below the European average.

3 Analysis of results per indicator. Commonalities and disparities between countries

This section presents **per each indicator** the results of the benchmarking (ranking of country scores per indicator) and a summary of the evidence collected to justify these scores (for more specific evidence, see the country fact sheets). This section also presents a preliminary analysis of commonalities, disparities and trends per indicator.

3.1 Indicator 1 – Official definition

The table below provides the score for Indicator 1 of each country. The total score is calculated based on the scores for the four sub-indicators "official definition for innovation procurement", "official definition for PPI", "official definition for PCP", "official definition for R&D procurement".

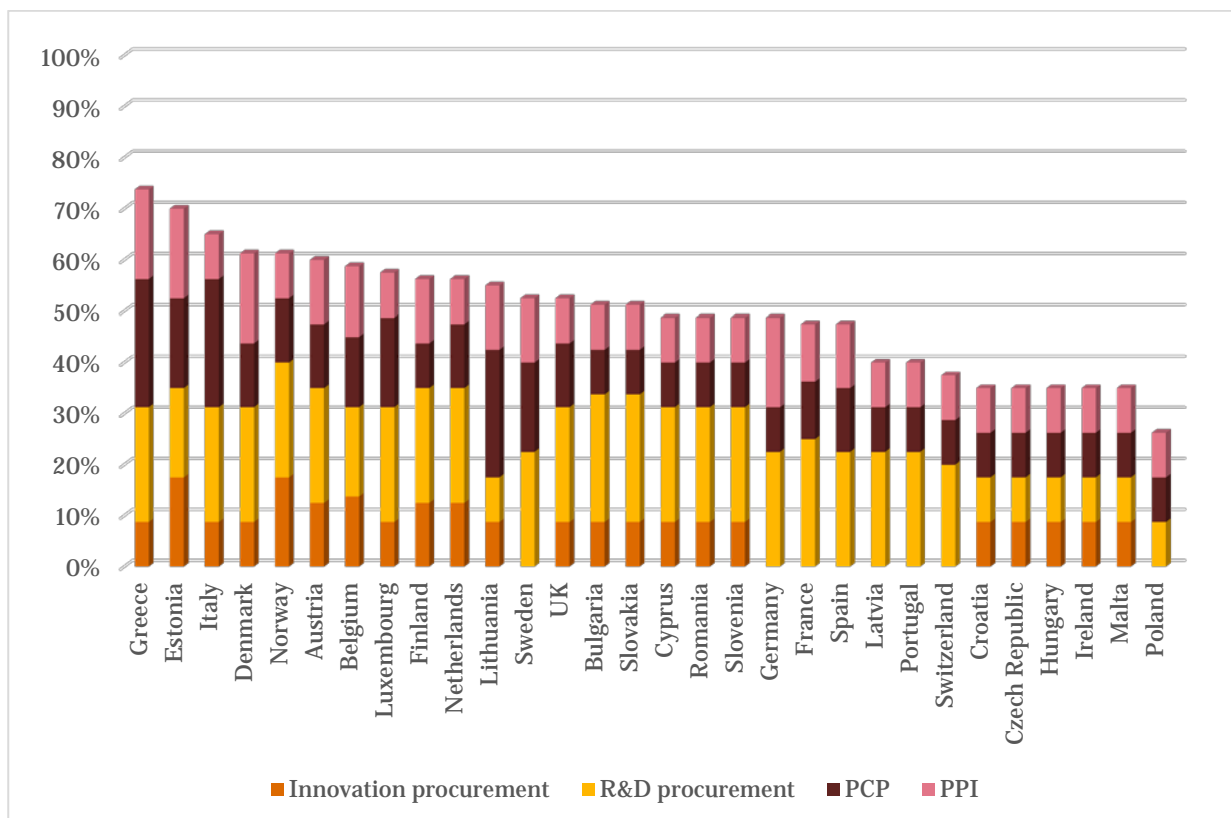
Table 2 – Indicator 1: scores

Country	Innovation procurement	R&D	PCP	PPI	Total
<i>Austria</i>	50%	90%	50%	50%	60,0%
<i>Belgium</i>	55%	70%	55%	55%	58,8%
<i>Bulgaria</i>	35%	100%	35%	35%	51,3%
<i>Croatia</i>	35%	35%	35%	35%	35,0%
<i>Cyprus</i>	35%	90%	35%	35%	48,8%
<i>Czech Republic</i>	35%	35%	35%	35%	35,0%
<i>Denmark</i>	35%	90%	50%	70%	61,3%
<i>Estonia</i>	70%	70%	70%	70%	70,0%
<i>Finland</i>	50%	90%	35%	50%	56,3%
<i>France</i>	0%	100%	45%	45%	47,5%
<i>Germany</i>	0%	90%	35%	70%	48,8%
<i>Greece</i>	35%	90%	100%	70%	73,8%
<i>Hungary</i>	35%	35%	35%	35%	35,0%
<i>Ireland</i>	35%	35%	35%	35%	35,0%
<i>Italy</i>	35%	90%	100%	35%	65,0%
<i>Latvia</i>	0%	90%	35%	35%	40,0%
<i>Lithuania</i>	35%	35%	100%	50%	55,0%
<i>Luxembourg</i>	35%	90%	70%	35%	57,5%
<i>Malta</i>	35%	35%	35%	35%	35,0%
<i>Netherlands</i>	50%	90%	50%	35%	56,3%
<i>Norway</i>	70%	90%	50%	35%	61,3%

Country	Innovation procurement	R&D	PCP	PPI	Total
Poland	0%	35%	35%	35%	26,3%
Portugal	0%	90%	35%	35%	40,0%
Romania	35%	90%	35%	35%	48,8%
Slovakia	35%	100%	35%	35%	51,3%
Slovenia	35%	90%	35%	35%	48,8%
Spain	0%	90%	50%	50%	47,5%
Sweden	0%	90%	70%	50%	52,5%
Switzerland	0%	80%	35%	35%	37,5%
UK	35%	90%	50%	35%	52,5%
EU average	31%	77%	49%	43%	49,7%

The best performing countries are Greece, Estonia, Italy, Denmark, Norway and Austria, which have recorded an overall score of 60% or above, while the EU average for indicator "Official definition" is 50%. The ranking is provided in the figure below.

Figure 2 – Indicator "Official Definition" overall ranking



The table and figure show that R&D procurement is across Europe defined in the clearest and most legally proof way (highest average score of 77%). After R&D procurement, PCP is defined best across the different countries (average score 49%) and thirdly PPI procurement (average score 43%). Both for R&D procurement in general, and for PCP specifically, there are no countries in which there is no legal basis or definition. In other words, all 30 countries are ready to develop an R&D procurement/PCP strategy. Innovation procurement is across Europe defined in the least clear and least legally proof way

(average score 31%). No country has a legally binding definition for innovation procurement and 8 countries do not even have any form of official definition for innovation in the context of public procurement. There are also still quite some countries (11) in which the definition is not in line with the EU definition. This is largely due to a confusion in several countries that innovation procurement encompasses only the innovation partnership procedure. In order to encourage more procurers to undertake innovation procurements, it is important that this is clarified in the future.

The following paragraphs provide a detailed breakdown of the evidence collected per sub-indicator.

3.1.1 Official definition for Innovation Procurement

The table below illustrates to which extent an official definition for innovation procurement has been introduced in each country. There is no country that has included a "definition" for innovation procurement "in national legislation". In some countries a definition of innovation in the context of public procurement is enshrined in national legislation, which provides a "legal basis" for innovation procurement in the country. In a third group of countries there is only an official "definition of innovation procurement in non-legal documents / guidelines" such as policy documents or training material. Finally, there is a fourth category of countries "nothing" which have not transposed the legal basis (definition of innovation) and have not foreseen an official definition for innovation or innovation procurement, not in legislation nor in other types of official documents. For each of the four categories of countries, the table indicates whether the definition reaches full coverage (definition is applicable to all types of public procurers across the whole country) or not (e.g. only in a certain region, or only for a specific type of public procurers) and whether the definition is in line with the EU definition.

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	Nothing (legal basis not transposed)
Full coverage and in line with EU definition		EE, NO (2)	BG, CY, CZ, DK, EL, HR, HU, IE, IT, LT, LU, MT, RO, SI, SK, UK (16)	
No full coverage but in line with EU definition		BE (1)		
Full coverage but not fully in line with EU definition		AT, FI, NL (3)		
No full coverage and not in line with EU definition				
Nothing				CH, DE, ES, FR, LV, PL, PT, SE (8)

No country has introduced a legal definition of innovation procurement in the national legislation.

In 6 countries (AT, BE, EE, FI, NL, NO) a definition of innovation procurement is available in official guidance documents:

- In Estonia and Norway, the definition in guidance documents is applicable to all procurers across the whole country and in line with the EU definition.
- In Belgium, there are guidelines that provide a definition which is in line with the EU definition but they are only applicable to Flemish procurers.
- In 3 countries (AT, FI, NL), the definition in the guidance is applicable countrywide but is not in line with the EU definition. For example, the Guidance note published by the competence centre KOINNO includes also innovative procurement (such as e-procurement) which does not procure any innovations.

In 16 countries (BG, CY, CZ, DK, EL, HR, HU, IT, IE, LT, LU, MT, RO, SI, SK, UK) there is no official definition of innovation procurement in legislation or guidance documents but there is a definition of

innovation in the national legislation in line with the EU definition, providing a legal basis for the development of innovation procurement in the country.

In 8 countries (CH, DE, ES, FR, LV, PL, PT, SE) there are no definitions for innovation procurement and for innovation, not in national legislation and not in national guidance.

3.1.2 Official definition for R&D procurement

The table below illustrates to which extent an official definition of R&D procurement has been introduced in each country. Three groups of countries can be distinguished. The main group includes countries that incorporated a definition for R&D procurement “in national legislation”. A second group of countries do not provide definition of R&D procurement in national legislation or official guidance documents, but national legislation provides a “legal basis” for the development of R&D procurement via CPV codes. The third and smallest group is represented by countries where an official definition of R&D procurement is included in “non-legal documents/guidelines”, e.g. policy documents or guidelines for public procurers.

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	Nothing (legal basis not transposed)
Full coverage and in line with EU definition	BG, FR, SK (3)	BE, EE (2)	CZ, HR, HU, IE, LT, MT, PL (7)	
No full coverage but in line with EU definition	AT, CY, DE, DK, EL, ES, FI, IT, LV, LU, NL, NO, PT, RO, SE, SI, UK (17)			
Full coverage but not fully in line with EU definition				
No full coverage and not in line with EU definition	CH (1)			
Nothing				

Two thirds of the countries (20) have included a definition of R&D in the context of procurement in national legislation:

- In 3 countries (BG, FR and SK) included the definition of R&D in the context of public procurement in national public procurement legislation that is applicable to all types of public procurers in a way that is in line with the EU definition.
- In 17 countries (AT, CY, DE, DK, EL, ES, FI, IT, LV, LU, NL, NO, PT, RO, SI, SE, UK) the definition of R&D in the context of public procurement is available only in the national public procurement legislation for the defence sector. It is coherent with the EU legislation but only available within one sector.
- In Switzerland, there is a definition of R&D in the context of public procurement in national legislation that is applicable only to the federal government. However, it is not in line with the EU definition and not applicable to all types of public procurers.

2 countries have not provided a definition of R&D procurement in national legislation but have foreseen one in official guidelines (BE and EE).

7 countries do not have a definition of R&D procurement (CZ, HR, HU, IE, LT, MT, PL) in national legislation or guidelines, but have identified in national procurement legislation what is considered R&D in the context of public procurement via CPV codes which are applicable to all public procurers in the country and in line with the EU definition of the R&D CPV codes. These CPV codes provide a "legal basis" developing R&D procurement in the country.

There is not a single country in which there is no legal basis or definition for R&D procurement in the category "nothing" is empty).

3.1.3 Official definition for Pre-Commercial Procurement (PCP)

The table below illustrates to which extent an official definition for PCP has been introduced in different countries. From the analysis two main groups of countries emerged. In a good proportion of countries, an official PCP definition is included in official “non-legal documents”, such as guidelines. The second group of countries only provide a “legal basis” to implement PCP at national level. Including a definition of PCP in “national legislation” is limited.

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	Nothing (legal basis not transposed)
Full coverage and in line with EU definition	EL, IT, LT (3)	EE, LU, SE (3)	BG, CH, CY, CZ, DE, FI, HR, HU, IE, LV, MT, PL, PT, RO, SK, SI (16)	
No full coverage but in line with EU definition		BE (1)		
Full coverage but not fully in line with EU definition		AT, DK, NL, NO, ES, UK (6)		
No full coverage and not in line with EU definition		FR (1)		
Nothing				

A limited number of countries (EL, IT, LT) have introduced the definition of PCP in national legislation which is applicable in the whole country and is in line with the EU definition.

In other 11 countries, the PCP definition has not been included in national legislation but in non-legal official documents:

- 3 countries (EE, LU, SE) define PCP in guidance documents which provide a countrywide applicable definition in line with the EU definition.
- In Belgium, the guidance document defined PCP only for the Flanders region
- In 6 countries (AT, DK, NL, NO, ES, UK) guidance documents are applicable across the country but the definition is not coherent with the EU definition.
- In France the definition of PCP is not applicable to all procurers in the country (only to those in the national innovation procurement road mapping exercise) and not in line with the EU definition. According to this definition, PCP cannot include the sale of resulting innovative product. However, it includes the sale of the resulting innovate solutions (the limited set of products or services resulting from the R&D), but does not include commercial volumes of the innovative solution (as this would require the suppliers to undertake quantity production which cannot be part of R&D).

16 countries (BG, CH, CY, CZ, DE, FI, HR, HU, IE, LV, MT, PL, PT, RO, SK, SI) do not have an official definition for PCP, not in national legislation nor in official guidance, but provide the legal basis to implement PCP (R&D services exemption in their national public procurement law), which is applicable to all public procurers in the country and in line with the EU procurement directives provisions.

There is not a single country in which there is no legal basis or definition for PCP procurement in the (category "nothing" is empty).

3.1.4 Official definition for Public Procurement of Innovative solutions (PPI)

The table below illustrates to which extent an official definition for PPI has been introduced in each country. The analysed countries can be divided in two groups. The first and bigger group includes countries that do not have a “definition” of PPI in “national legislation”, however the legislation allows national procurers to implement PPI, awarding and monitoring performance. In the second group of countries a definition of “PPI” is given in official “non-legal documents”, such as guidelines or policy reports.

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	Nothing (legal basis not transposed)
Full coverage and in line with EU definition		DE, DK, EE, EL (4)	BG, CH, CY, CZ, HR, HU, IE, IT, LU, LV, MT, NL, NO, PL, PT, RO, SI, SK, UK (19)	
No full coverage but in line with EU definition		BE (1)		
Full coverage but not fully in line with EU definition		AT, ES, FI, LT, SE (5)		
No full coverage and not in line with EU definition		FR (1)		
Nothing				

No country has included a definition of PPI in its national legal framework.

However, 11 countries (AT, BE, DE, DK, EE, ES, FI, FR, LT, SE, EL) have defined PPI in non-legal documents:

- Denmark, Estonia, Germany and Greece have introduced a definition of PPI fully in line with the EU definition and applicable to all public procurers.
- In Belgium, the definition of PPI is in line with the EU definition but only applicable to the Flanders region.
- 5 countries (AT, ES, FI, LT, SE) have a PPI definition in non-legislative documents applicable to all public procurers but not in line with the EU definition. For example, in Lithuania the PPI definition in the 2014 guidelines by the Minister of Economy does not clearly distinguish between PPI and innovation procurement and uses an unclear definition of the “early adopter” notion. In Spain, the PPI definition included in the guidelines published by the Ministry of Economy only covers products that still need to be developed, i.e. existing products not widely commercialised are therefore not covered (PPI is confused with innovation partnerships).
- France provides a PPI definition in national guidance, but it is not applicable to all public procurers (i.e. only to the procurers included in the national innovation procurement road mapping exercise) and it is linked only to solutions that are maximum two years on the market (no link to the 20% early adopters on the market is done).

The remaining 19 countries (BG, CH, CY, CZ, HR, HU, IE, IT, LU, LV, MT, NL, NO, PL, PT, RO, SI, SK, UK) have not introduced a definition of PPI neither in national legislation nor in official guidance documents. However, in these countries the legislation still provides a legal basis for procurers to implement PPI, in particular by allowing contract award and performance monitoring based on innovative solution characteristics.

There is not a single country in which there is no legal basis or definition for PPI procurement in the (category "nothing" is empty).

3.2 Indicator 2 – Horizontal policies

This indicator reflects the extent to which innovation procurement has been incorporated as a strategic tool or objective in nine horizontal policy areas.

The table below provides the score for Indicator 2 of each country. The total score is calculated based on the scores for the seven sub-indicators, “R&D policy”, “innovation policy”, “public procurement policy”, “competition policy”, “economic and financial policy”, “entrepreneurship policy”, “regional/urban policy”.

Table 3 - Indicator 2: scores

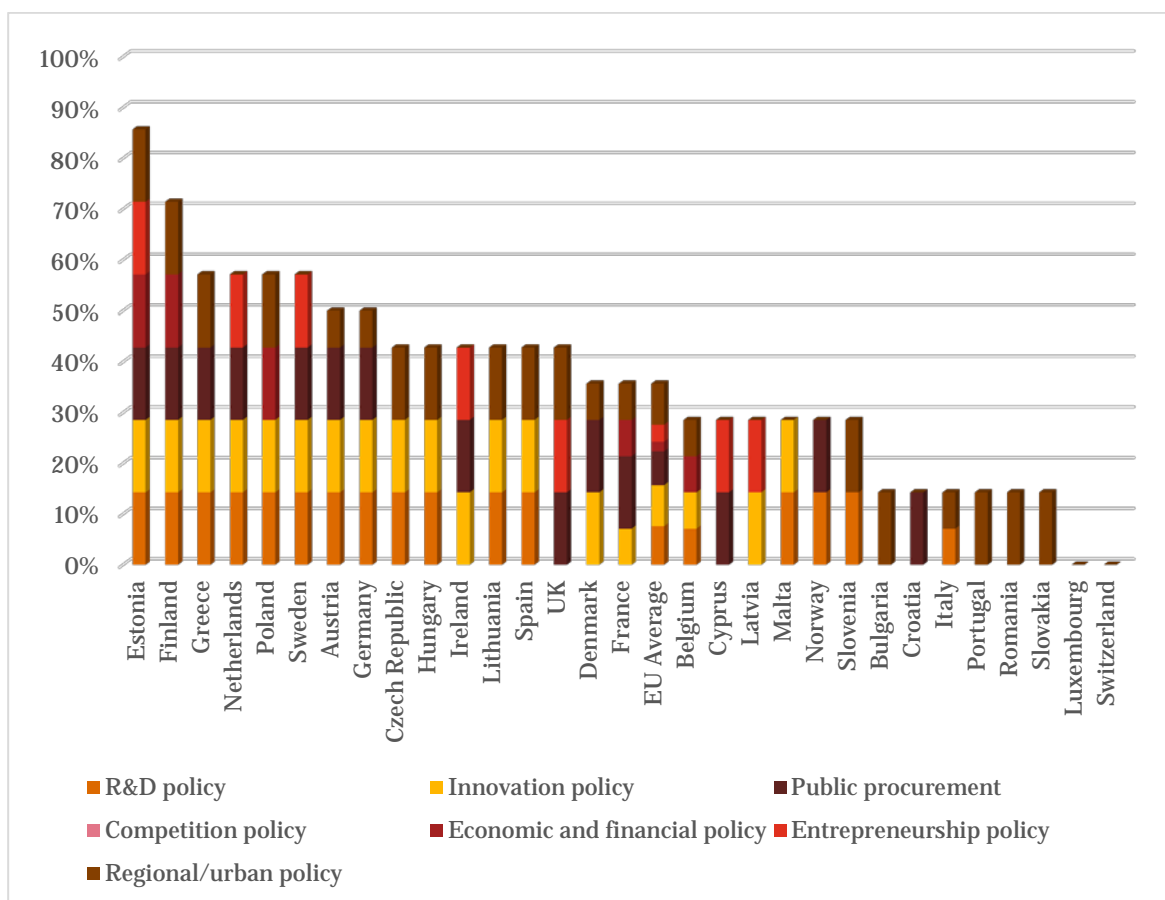
<i>Country</i>	R&D policy	Innovation policy	Public procurement	Competition policy	Economic and financial policy	Entrepreneurship policy	Regional /urban policy	Total
<i>Austria</i>	100%	100%	100%	0%	0%	0%	50%	50,0%
<i>Belgium</i>	50%	50%	0%	0%	50%	0%	50%	28,6%
<i>Bulgaria</i>	0%	0%	0%	0%	0%	0%	100%	14,3%
<i>Croatia</i>	0%	0%	100%	0%	0%	0%	0%	14,3%
<i>Cyprus</i>	0%	0%	100%	0%	0%	100%	0%	28,6%
<i>Czech Republic</i>	100%	100%	0%	0%	0%	0%	100%	42,9%
<i>Denmark</i>	0%	100%	100%	0%	0%	0%	50%	35,7%
<i>Estonia</i>	100%	100%	100%	0%	100%	100%	100%	85,7%
<i>Finland</i>	100%	100%	100%	0%	100%	0%	100%	71,4%
<i>France</i>	0%	50%	100%	0%	50%	0%	50%	35,7%
<i>Germany</i>	100%	100%	100%	0%	0%	0%	50%	50,0%
<i>Greece</i>	100%	100%	100%	0%	0%	0%	100%	57,1%
<i>Hungary</i>	100%	100%	0%	0%	0%	0%	100%	42,9%
<i>Ireland</i>	0%	100%	100%	0%	0%	100%	0%	42,9%
<i>Italy</i>	50%	0%	0%	0%	0%	0%	50%	14,3%
<i>Latvia</i>	0%	100%	0%	0%	0%	100%	0%	28,6%
<i>Lithuania</i>	100%	100%	0%	0%	0%	0%	100%	42,9%
<i>Luxembourg</i>	0%	0%	0%	0%	0%	0%	0%	0,0%
<i>Malta</i>	100%	100%	0%	0%	0%	0%	0%	28,6%
<i>Netherlands</i>	100%	100%	100%	0%	0%	100%	0%	57,1%
<i>Norway</i>	100%	0%	100%	0%	0%	0%	0%	28,6%
<i>Poland</i>	100%	100%	0%	0%	100%	0%	100%	57,1%
<i>Portugal</i>	0%	0%	0%	0%	0%	0%	100%	14,3%
<i>Romania</i>	0%	0%	0%	0%	0%	0%	100%	14,3%

<i>Country</i>	R&D policy	Innovation policy	Public procurement	Competition policy	Economic and financial policy	Entrepreneurship policy	Regional /urban policy	Total
<i>Slovakia</i>	0%	0%	0%	0%	0%	0%	100%	14,3%
<i>Slovenia</i>	100%	0%	0%	0%	0%	0%	100%	28,6%
<i>Spain</i>	100%	100%	0%	0%	0%	0%	100%	42,9%
<i>Sweden</i>	100%	100%	100%	0%	0%	100%	0%	57,1%
<i>Switzerland</i>	0%	0%	0%	0%	0%	0%	0%	0,0%
<i>UK</i>	0%	0%	100%	0%	0%	100%	100%	42,9%
<i>EU average</i>	53,3%	56,7%	46,7%	0%	13,3%	23,3%	56,7%	35,7%

In terms of country performance, the best performing country is Estonia (where innovation procurement is recognised in all horizontal policies except for competition policy), whereas Luxembourg and Switzerland are at the bottom of the ranking because innovation procurement is not recognised in any horizontal policy. A number of countries that use ESIF funds to a large extent (Bulgaria, Portugal, Romania, Slovakia) recognise innovation procurement only in their ESIF supported regional/urban policy, but don't have any other own national horizontal enabling policy or strategy for supporting innovation procurement at national level in areas that are not supported by EU ESIF funds. The EU average of this indicator is 35,7%. One third of the countries score just below this EU average,

In terms of horizontal policy support to innovation procurement, across all countries and among all the horizontal policies observed, Regional/Urban policy, R&D and Innovation policy are the policy fields that score the highest on endorsing and promoting the strategic importance of innovation procurement. This is mainly due to the fact that innovation procurement is inextricably tied with R&D&I activities. They are followed by public procurement policies. Endorsement of innovation procurement in entrepreneurship, economic / financial policy (as a mechanism for enabling structural reforms and public sector modernisation) and in competition policy are still points to be improved across all countries.

Figure 3 – Indicator "Horizontal policies" overall ranking



The next paragraphs provide a detailed breakdown of each horizontal policy considered.

3.2.1 Public Procurement Policy

	Applicable to all procurers country wide	Not applicable to all procurers country wide	No recognition
Public Procurement Policy	AT, CY, DE, DK, EE, EL, FI, FR, HR, IE, NL, NO, SE, UK (14)		BE, BG, CH, CZ, ES, HU, IT, LT, LU, LV, MT, PL, PT, RO, SI, SK (16)

14 countries recognise the strategic importance of innovation procurement in modernising public services in their public procurement policy that is applicable to all procurers in the country.

- In some countries, such as Denmark and Sweden, innovation procurement is well structured in the national public procurement strategy and concrete actions are foreseen to realise this. For example in Denmark, the national strategy on public procurement clearly describes the tools to be used to develop innovation procurement and the actions implemented to support the different forms of innovation procurement, e.g. PCP, PPI. In Greece, actions to promote and disseminate innovation procurement in the country are foreseen under the Action Plan for National Procurement Strategy, while in the UK, the promotion of innovative approaches to public procurement is included under the Public Contract Regulations 2015.
- In Austria and Netherlands, innovation is anchored in the public procurement policy. However, innovation is encouraged via dedicated the national action plans rather than via public procurement legislation, where innovation is a secondary objective. In Cyprus, the promotion of

innovation in public procurement is one of the objectives set out in the Public procurement strategy, prepared by the Public Procurement directorate.

In 16 countries (BE, BG, CH, CZ, ES, HU, IT, LT, LU, LV, MT, PL, PT, RO, SI, SK) public procurement policy does not explicitly recognise the strategic importance of innovation procurement yet.

3.2.2 Entrepreneurship policy

	Country wide	Not country wide	No recognition
Entrepreneurship policy	CY, EE, IE, NL, LV, SE, UK (7)		AT, BE, BG, CH, CZ, DE, DK, EL, ES, FI, FR, HR, HU, IT, LT, LU, MT, NO, PL, PT, RO, SI, SK (23)

7 countries recognise the importance of innovation procurement in creating business opportunities for entrepreneurs and boosting the scaling up of small companies in their entrepreneurship policy that is applicable across the whole country:

- In Cyprus, Ireland and the Netherlands, the use of innovation procurement in this policy area is focused on the creation of more competitive enterprises in the country. The Netherlands explicitly targets SMEs and startups, whereas in Ireland innovation procurement is used as a tool to foster the participation of SMEs to public tender procedures.
- In Estonia, innovation procurement is embedded in a strategy addressing different sectors including entrepreneurship. The “Estonian Entrepreneurship Growth Strategy 2014-2020” covers a variety of sectors with the aim to create a market for innovative solutions through the use of innovation procurement.

In the remaining 23 countries (AT, BE, BG, CH, CZ, DE, DK, EL, ES, FI, FR, HR, HU, IT, LT, LU, MT, NO, PL, PT, RO, SI, SK) entrepreneurship policy does not yet recognise the strategic importance of innovation procurement for entrepreneurs and small company growth.

3.2.3 Economic and financial policy

	Country wide	Not country wide	No recognition
Economic and financial policies	EE, FI, PL (3)	BE, FR (2)	AT, BG, CH, CY, CZ, DE, DK, EL, ES, HR, HU, IE, IT, LT, LU, LV, MT, NL, NO, PT, RO, SE, SI, SK UK (25)

Only 5 countries recognize the strategic importance of innovation procurement for economic growth and for optimising financial sustainability of public services in their economic and financial policy:

- In 3 countries (EE, FI, PL) innovation procurement is included as a strategic tool within economic and/or financial strategies that support the overall growth and competitiveness of the whole country. To achieve this objective, these strategies are usually interconnected with sectoral strategies. For example, in Poland the “Strategy for Responsible Development 2020” has a horizontal impact across several policy sectors, including transport, environment, energy and ICT. In Finland, innovation procurement is often used to channel investments and procurement budgets towards the development of new services and products and urban regions.
- In France and Belgium the strategic role of innovation procurement for economic and financial policy is also recognised, but not in a way that is applicable to all procurement areas in the country. In France, it applies only to public procurers that are involved in the national innovation procurement road mapping exercise: a number national central public bodies, i.e.

the State (e.g. the Ministries), its “operators” (*établissements publics*) and hospitals. In Belgium it applies only to the region of Flanders.

The vast majority of the EU countries (25) has not recognised the strategic importance of innovation procurement in its economic and financial policies yet.

3.2.4 Competition Policy

	Countr wide	Not country wide	No recognition
Competition policy			AT, BE, BG, CY, CH, CZ, DE, DK, EE, EL, ES, FI, FR, HR, HU, IT, IE, LV, LT, LU, MT, NL, NO, PL, PT, RO, SI, SE, SK, UK (30)

No country has so far included provisions on innovation procurement in its competition policy to ensure a transparent, non-discriminatory level playing field for all economic operators on its procurement market.

3.2.5 Regional/urban policy

	Country wide	Not country wide	No recognition
Regional/Urban policy	BG, CZ, EE, EL, ES, FI, HU, LT, PL, PT, RO, SI, SK, UK (14)	AT, BE, DE, DK, FR, IT, (6)	CY, CH, HR, IE, LV, LU, MT, NL, NO, SE (10)

In 14 countries (BG, CZ, EE, EL, ES, FI, HU, LT, PL, PT, RO, SI, SK, UK) the strategic importance of innovation procurement for regional/urban development is recognised in the national regional and urban policy framework for the whole country. In these national strategies, in most cases the regional actions in the innovation procurement field are foreseen in the context of the ESIF smart specialization strategies that are implemented by regional authorities.

6 countries (AT, BE, DE, DK, FR, DE, IT) do not recognise the strategic importance of innovation procurement for regional/urban development for the whole country, but only in certain regions:

- In Italy, several Italian Regions explicitly indicate PCP and PPI in their 2014-2020 Operational Plans. The sectors where they are applied have been identified by each Region in accordance with the smart specialization strategy documents (S3).
- In Austria even without a national strategic framework for regional and urban policies, there are regions that have developed their own policy dedicated to innovation procurement. In particular, the Vienna’s RTI strategy “**Innovative Vienna 2020**” recognises innovation procurement among its instruments to foster the innovative development of the region.
- Germany has a strategic framework for regional and urban policies, but innovation procurement is included as a specific objective. However, innovation procurement is envisaged at regional level in the context of Green Public Procurement, e.g. North-Rhine Westphalia.

In 10 countries (CY, CH, HR, IE, LV, LU, MT, NL, NO, SE) there is no recognition yet of the strategic importance of innovation procurement in regional/urban policies at national or regional level.

3.2.6 R&D&I policy

	Country wide	Not country wide	No recognition
R&D policy	AT, CZ, DE, EE, EL, ES, FI, HU, LT, MT, NL, NO, PL, SE, SI (15)	BE, IT (2)	BG, CH, CY, DK, FR, HR, IE, LU, LV, PT, RO, SK, UK (13)

Innovation policy	AT, CZ, DE, DK, EE, EL, ES, FI, HU, IE, LV, LT, MT, NL, PL, SE (16)	BE, FR (2)	BG, CH, CY, HR, IT, LU, NO, PT, RO, SI, SK, UK (12)
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R&D and innovation policies have been grouped together because most countries develop a combined R&D and innovation strategy. There are just 7 countries in which only one of these two horizontal policies recognises the strategic importance of innovation procurement (DK, FR, IE, IT, LV, NO, SI).

- In 15 countries (AT, CZ, DE, EE, EL, ES, FI, HU, LT, MT, NL, NO, PL, SE, SI) innovation procurement is included as a strategic tool within a horizontal R&D strategy at national level.
- In 16 countries (AT, CZ, DE, DK, EE, EL, ES, FI, HU, IE, LV, MT, NL, NO, PL, SE) innovation procurement is included as a strategic tool within a horizontal innovation strategy at national level.
- In France, Belgium and Italy, the strategic relevance of innovation procurement is recognised in R&D or innovation policies not applicable to all entities in the country. In the Italian case the National Research Plan (2015-2020), focusing on R&D, foresees among its objectives the promotion of public demand for innovative solutions. Under this framework the competent Ministry has put in place a “Pre-Commercial Procurement Program” only for the former “cohesion objective regions”. In Belgium, only the R&D&I policy of the region of Flanders recognizes the strategic importance of innovation procurement.

In 9 countries (BG, CH, CY, HR, LU, PT, RO, SK, UK) both the R&D policy and the innovation policy do not recognize the strategic importance of innovation procurement yet.

3.3 Indicator 3 – ICT policy

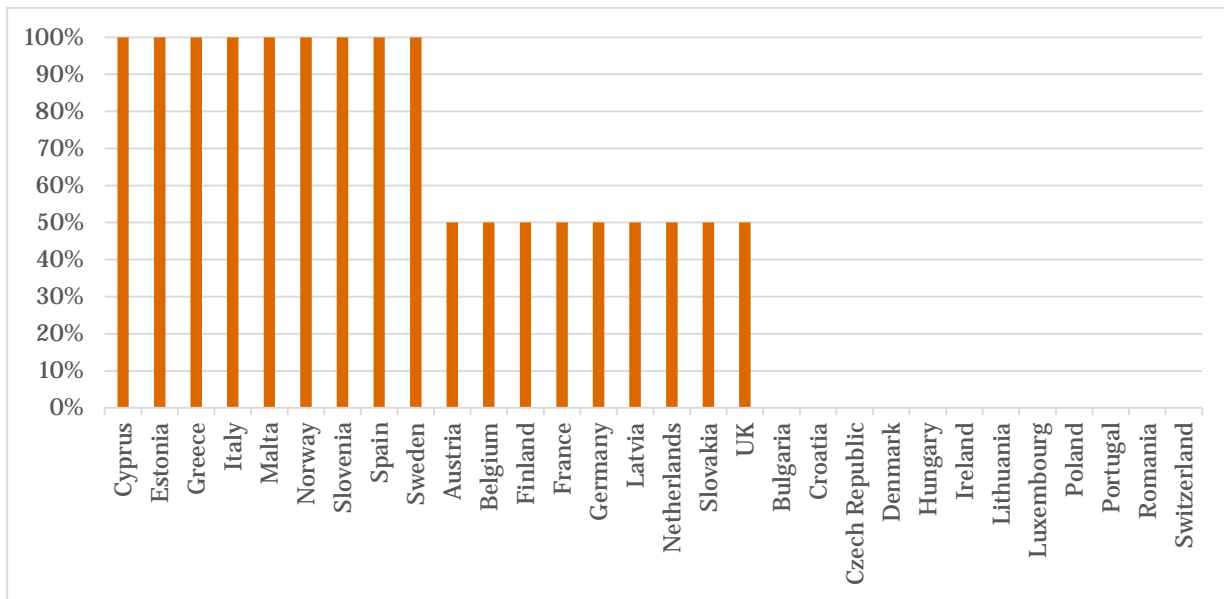
As ICTs are catalysers for innovation and public sector modernisation, embedding innovation procurement as a strategic tool or objective in the digital/ICT policy of the country can be a particularly effective approach towards a widely-spread adoption of innovation procurement. Whilst improving the quality and efficiency of public services with innovative ICT solutions, innovation procurement can also foster company growth in the ICT sector itself. Therefore this indicator reflects to which extent innovation is embedded as a strategic priority in the ICT policy.

The table below provides an overview of the overall scores (0%, 50% of 100%) obtained by different countries for this indicator.

	Direct and full recognition (100%)	Indirect or Partial recognition (50%)	No recognition (0%)
ICT policy	CY, EE, EL, ES, IT, MT, NO, SE, SI (9)	AT, BE, DE, FI, FR, LV, NL, SK, UK (9)	BG, CH, CZ, DK, HR, HU, IE, LT, LU, PL, PT, RO (12)

The majority of the countries do not recognise, or recognise only partially/indirectly the role of innovation procurement as a strategic tool in ICT policies. This shows that there is still quite some work to be done to anchor innovation procurement more strategically in national ICT policies across Europe. As ICTs are key catalysers for economic growth and public sector modernisation, it is important that countries invest time and effort in this. Indeed, most of the countries that are lagging behind on anchoring innovation procurement into their national ICT policy are also those that are lagging behind on innovation procurement / public sector modernization in general. The EU average score (30 countries) is 45%.

Figure 4 – Indicator 3 overall ranking



In particular, 18 countries included innovation procurement as part of their national digital/ICT policies.

- In 9 countries (CY, EE, EL, ES, IT, MT, NO, SI, SE) the use of innovation procurement is directly linked to a specific objective identified in the national digital/ICT strategy.
- In 9 countries (AT, BE, DE, FI, FR, LV, NL, SK, UK) there is an indirect or partial reference in the national digital/ICT strategy to the strategic importance of innovation procurement.

In the remaining twelve countries (BG, CH, CZ, DK, HR, HU, IE, LT, LU, PL, PT, RO) the national digital/ICT strategy does not recognise the strategic importance of innovation procurement yet.

The table below presents the evidence collected for the first 18 countries.

Country	Evidence
Cyprus	The Digital Cyprus Strategy ¹ foresees under the Objective Entrepreneurship, Measure entrepreneurship a concrete action on Pre-Commercial Procurement. In particular it foresees a new funding Programme to support Pre-Commercial Procurements in the ICT sector launched by public organizations where innovative companies or research organisations could participate.
Estonia	In the area of ICT, the “ Digital Agenda 2020 for Estonia ” lists innovation procurement among the fundamental principles for the development of Estonian information society through “ <i>the public sector’s active role in the uptake and procurement of innovative solutions and shaping the overall conditions for development</i> ”. In particular, it states that “ <i>Public sector will be a smart customer, ensuring that in public procurements as much freedom as possible is left for offering innovative solutions, thereby contributing to the development of the ICT sector</i> ”. ²
Greece	Actions to develop a framework for innovation procurement and PCP in the digital policy area are also envisaged in the National Digital Strategy 2016-2021 . The strategy, prepared by General Secretariat for Digital Policy of the Ministry of Digital Policy, Telecommunications and Information, reports in its Proirority 4.1 a “Support for research and

¹[http://www.mcw.gov.cy/mcw/dec/digital_cyprus/ict.nsf/3700071379D1C658C2257A6F00376A80/\\$file/Main%20document%20digital%20strategy.pdf](http://www.mcw.gov.cy/mcw/dec/digital_cyprus/ict.nsf/3700071379D1C658C2257A6F00376A80/$file/Main%20document%20digital%20strategy.pdf)

² https://www.mkm.ee/sites/default/files/digital_agenda_2020_engf.pdf

Country	Evidence
	development Research and Technological Development (ETA) includes among its objectives: "a framework for the procurement of innovative services and pre-commercial procurement (Priority 4.1)". ³
Italy	In the ICT field, the document " Strategy for digital growth 2014-2020 " ⁴ identifies as "a priority objective: the use of PCP and PPI in order to stimulate the demand for innovative goods and services based on digital technologies in compliance with the European Digital Agenda" and sets a KPI target to increase by 40% the value spent on innovation procurements. The three-year plan for IT in the Public Administration 2017-2020 ⁵ encourages all public administrations that are responsible for IT purchases to encourage innovation procurement, including PCP and PPI, and gives recommendations to public procurers to encourage innovation in public procurement "by specifying the problem to be solved instead of the solution to be procured, by considering to organise preliminary market consultations with industry before procuring and by using appropriate innovation procurement procedures."
Malta	The Digital Malta strategy ⁶ has set an explicit objective (nr 30) to encourage ICT innovation in public procurement: "Government will use its position as a major procurer to stimulate demand for innovative ICT. It will encourage collaboration between local players and, as an early adopter, it will act as a showcase for locally-produced technology. Innovative policies will improve procurement cycles and deliver better value."
Norway	Under ICT policy, Norwegian digital agenda considers innovation procurement among its strategic tools. ⁷ "A conservative estimate of ICT procurements in the public sector in Norway in 2014 is put at NOK 16.6 billion. It is important to secure the best possible returns on these investments. Creating more professionalised digitisation projects in the public sector is a key element to this end. Such professionalisation will also help stimulate innovation within industry... Action under Part III ICT policy for value creation and inclusion: The Government will strengthen innovation and business development inside welfare technology through the use of open standards and wider use of innovative procurements".
Slovenia	In the ICT field, the Agenda Digital Slovenia 2020 - The strategy for the development of the information society by 2020 defines innovation procurement as a strategic priority to achieve its objectives. ⁸ In the strategy, pre-commercial public procurement for the development of innovative solutions is encouraged through the use of open public and research data, open platforms and cloud computing for faster transfer of solutions to the market. "By means of PCP in cloud computing, the future internet and big data, and by financial incentives to RDI projects for making open standardised platforms and development of new technologies, products and services, Slovenia will encourage the private sector to develop innovative products and services and make a prompt transition of results of data technologies to the market.". 4 Mio EURO is foreseen (from ESIF) for supporting PCP projects in ICT.
Spain	The Spanish Digital Agenda ⁹ , managed by the Ministry of Energy, Tourism and Digital agenda , confers to innovation procurement a role to boost the development of the ICT sector. "Goal 5: Boost R&D&I in Information and Communications Technologies. It is a basic principle that public investment in R&D&I in ICT would lead to a greater amount of investment by the private sector. This is why the proposal here is to use public procurement and public - private collaboration strategically..." The national Spanish plan for encouraging the development of natural language processing,

³ http://www.opengov.gr/digitalandbrief/wp-content/uploads/downloads/2016/11/digital_strategy.pdf

⁴ <https://www.agid.gov.it/it/agenzia/strategia-quadro-normativo/crescita-digitale-banda-ultra-larga>

⁵ https://pianotriennale-ict.italia.it/assets/pdf/Piano_Triennale_per_l_informatica_nella_Pubblica_Ammministrazione.pdf

⁶ <https://digitalmalta.org.mt/en/Pages/Strategy/Digital-Government.aspx>

⁷ https://www.regjeringen.no/contentassets/07b212c03fee4d0a94234b101c5b8ef0/en-gb/pdfs/digital_agenda_for_norway_in_brief.pdf

⁸ http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/DID/Informacijska_druzba/pdf/DSI_2020_3-2016_pic1.pdf

⁹ <http://www.agendadigital.gob.es/digital-agenda/Documents/digital-agenda-for-spain.pdf>

Country	Evidence
	<p>machine translation and conversational systems in Spanish official and co-official languages, the Plan de Impulso a la Tecnología del lenguaje¹⁰, also refers to innovation procurement <i>"with the aim to bring Spanish industry to the innovation frontier to make it competitive on a global scale, while taking advantage of these innovative capabilities to substantially improve public service. For this we must (using innovation procurement) overcome the paradox by which the supplier does not invest in innovative products, which previously require an investment in R & D, for lack of clear demand, and the buyer does not demand innovative products because there is no available offer, adequate and economical for the pending challenges."</i></p>
Sweden	<p>In the field of ICT, the Digital Strategy for sustainable digital transformation in Sweden¹¹ refers to innovation procurement as one of the tools that public authorities should use to drive the sustainable digital transformation of the country. <i>"Public procurement should be used to a greater extent as a proactive tool for promoting the development, use and implementation of digitally driven innovations. Innovation procurement and innovation partnerships are important tools as well as the conscious use of open source solutions, standards and test beds. Even project competitions can be an important tool for stimulating increased development of digitally driven innovations."</i></p>
Austria	<p>In the field of ICT, not the overall country's Digital Roadmap strategy¹² but two parts of it, namely the Internetoffensive Österreich¹³ and the creative industries strategy (Kreativwirtschafts-strategie)¹⁴, recognize the importance of public procurement as a strategic tool to foster the competitiveness of national industries, especially also for SMEs and Start Ups. <i>"The Commitment of the public sector to the nationwide implementation of "innovation oriented public procurement" can contribute to the spread of innovative business models and the creation of new startups."</i></p>
Belgium	<p>At national/federal level, the 2015-2020 Digital Belgium strategy¹⁵ does not specifically encourage innovation procurement but recognises it indirectly through the importance of procuring new technologies to improve government efficiency. Under priority 3 "digital government", action 4 "operational efficiency" of the strategy states that <i>"government management will be encouraged to carefully follow up ICT government contracts and to create efficiencies by further digitizing services and processes. The government will also utilise new technologies, such as social media and big data, and shall do so with a clear objective: providing better services at lower cost."</i></p>
Finland	<p>"Digital Finland Framework" (2018) refers to public procurement (only in a picture though, not in the text) as a demand-side tool able to support the strategic priority of investing in innovative digital technologies.¹⁶ Emphasis on using the demand-driven mode is put especially in the area of digital platforms for deploying and further developing new enabling technologies and applications, including those based on artificial intelligence IoT, 5G and cyber security. <i>"Digital platforms are an outstanding means to deploy and further develop new enabling technologies and applications, including those based on artificial intelligence IoT, 5G and cyber security. Platforms should primarily be developed industry-lead, but there are many domains and purposes where public sector driven or mixed public-private mode is most appropriate. (public procurement is then shown in a picture as a possible resource that can be</i></p>

¹⁰ <http://www.agendadigital.gob.es/tecnologias-lenguaje/Paginas/plan-impulso-tecnologias-lenguaje.aspx>

¹¹ https://www.regeringen.se/49adea/contentassets/5429e024be6847fc907b786ab954228f/digitaliseringsstrategin_slutlig_170518-2.pdf

¹² <https://www.digitalroadmap.gv.at/en/>

¹³ <https://www.internetoffensive.at/aboutus/eckpunkte-fuer-eine-ikt-strategie-fuer-oesterreich/>

¹⁴ https://www.interregeurope.eu/fileadmin/user_upload/tx_tevprojects/library/Creative%20Industries%20Strategy%20for%20Austria.pdf

¹⁵ <http://digitalbelgium.be/en/5-priorities/digital-government/>

¹⁶ <https://www.businessfinland.fi/contentassets/47485067fefa4d838f7bc81d8ac90cd4/digital-finland-framework-report-feb-2018.pdf>

Country	Evidence
	used)"
France	<p>The 2015 French national digital strategy "Digital Republic in Action"¹⁷ has an action "<i>Action publique 2020: pour une transformation du service public</i>", but this action does not mention innovation procurement, or the role of government to boost digital innovation/deployment of innovative solutions through public procurement.</p> <p>Only one part of the French ICT policy, on cybersecurity, recognises the role of innovation procurement. The "French national digital security strategy"¹⁸, indeed, states that "<i>By supporting investment, innovation and exports, also via public procurement, the State will develop a favourable environment for French companies in the digital sector offering secure products and services</i>".</p>
Germany	<p>In the area of ICT, the Digital Agenda 2014-2017¹⁹ identified 7 main areas where action is needed to achieve its overall objectives. One of these areas is public administration, where there is an indirect recognition of innovation procurement because giving public procurement a more innovative focus is seen as a key principle to implement the digital transformation of the sector, in particular "<i>to reduce the reliance of government IT on closed global IT and cloud computing ecosystems and to support innovative companies and boost competition in the IT sector</i>".</p> <p>The Digital Strategy 2025 (adopted in 2016) does not refer to innovation procurement.</p>
Latvia	<p>The Information Society development guidelines 2014-2020, which is the Latvian strategy for digitisation²⁰, does not specifically mention innovation procurement foresees some activities that indirectly recognise the importance of innovation procurement: it sets as objectives "to involve experts in public administration who know how to convert needs into clearly defined functional demands" and "to support the purchase of SME research services in order to increase demand for innovative solutions and the innovation performance of innovative companies."</p>
Netherlands	<p>The 2016 Dutch digital agenda for the Netherlands does not explicitly mention innovation procurement but recognises its importance indirectly by recognising the key role of the public sector to drive forward digitisation through its role as buyer for innovative solutions. "<i>Given the broad impact of digitisation, the role of the government extends further than the simple reinforcement of preconditions and safeguarding public interests. The government is also an actor in this transition, for example, as a buyer of innovative ICT products and services and as a digital service provider for citizens and businesses.</i>" A broad analysis across different sectors aims to implement innovative solutions through public procurement across all top sectors where the government is a key customer.</p> <p>In addition, the ministry of interior, responsible for digitalisation, is currently developing a specific action plan for innovation & innovation procurement in the field of ICT. This action plan (<i>innovatiepact</i>) is based on a report of a committee of the ministries of interior affairs and economic affairs on future digitalization²¹. The national government will spend 200 million euros on realizing a digital infrastructure per year²². According to the RIO Report 2015, a multiple sector action agenda has been set also in the field of nano-technology and bio-based economy.</p>

¹⁷ <http://www.gouvernement.fr/la-republique-numerique-en-actes>

¹⁸ https://www.enisa.europa.eu/topics/national-cyber-security-strategies/ncss-map/France_Cyber_Security_Strategy.pdf

¹⁹ <http://www.bmwi.de/EN/Topics/Technology/digital-agenda.html>

²⁰

http://www.varam.gov.lv/in_site/tools/download.php?file=files/text/Darb_jomas/elietais//Information_Society_Development_Guidelines_2014_2020.docx

²¹ <https://www.rijksoverheid.nl/documenten/rapporten/2017/04/18/rapport-van-de-studiegroep-informatiesamenleving-en-overheid-maak-waar>

²² https://www.digicommissaris.nl/image/2016/12/22/digiprogramma_2017-989810276.pdf

Country	Evidence
Slovakia	Slovakia's digital growth and Next Generate Access infrastructure strategic document 2014-2020 ²³ does not explicitly mention innovation procurement but recognises its importance indirectly by identifying that " <i>increasing the openness of ICT public procurements towards technology innovation and approaches is desirable, which would lead to simpler and less expensive solution variants than originally planned. The modalities of electronic public procurement will be updated in order to easily implement demand-driven projects in public administration in the form of innovative solutions and to encourage effective participation of small and medium-sized businesses in such areas as open data, mobile applications for eGovernment services, green information and telecommunication technologies and applications for social networks.</i> "
UK	In the field of ICT, the UK Government's Digital strategy ²⁴ does not explicitly mention innovation procurement but recognises its importance indirectly by stating that the government " <i>will use public procurement more effectively to encourage better pre-market engagement, shaping specifications to take advantage where appropriate of the market's latest offerings and innovations, will make available a forward looking pipeline of digital work, updated quarterly to enable businesses to invest in capability and resources appropriately; and will encourage suppliers who are new to government (in particular SMEs) to undertake bidder training to lower the effective barrier to entry to the procurement market.</i> "

3.4 Indicator 4 – Sectoral policies

This indicator reflects to what extent innovation procurement is endorsed as a strategic priority in a policy framework or action plan in each of the 10 sectors of public sector activity that are identified in the EU public procurement directives.²⁵

Indicator "sectoral policies" is a multi-dimensional indicator with ten sub-indicators that correspond to the 10 areas of public sector activity. The table below provides the overall scores obtained by each country per sub-indicator.

Countries	Healthcare and social services	Public transport	General public services	Construction sector	Energy sector	Environment sector	Water sector	Public order, safety, security and defence sector	Postal sector	Education, recreation, culture and religion	Total
<i>Austria</i>	100%	100%	100%	100%	100%	100%	0%	0%	0%	0%	60%
<i>Belgium</i>	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%
<i>Bulgaria</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Croatia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Cyprus</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Czech Republic</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

²³ http://www.informatizacia.sk/ext_dok-strategycky_dokument_2014_2020_en/16622c

²⁴ <https://www.gov.uk/government/publications/government-digital-strategy/government-digital-strategy>

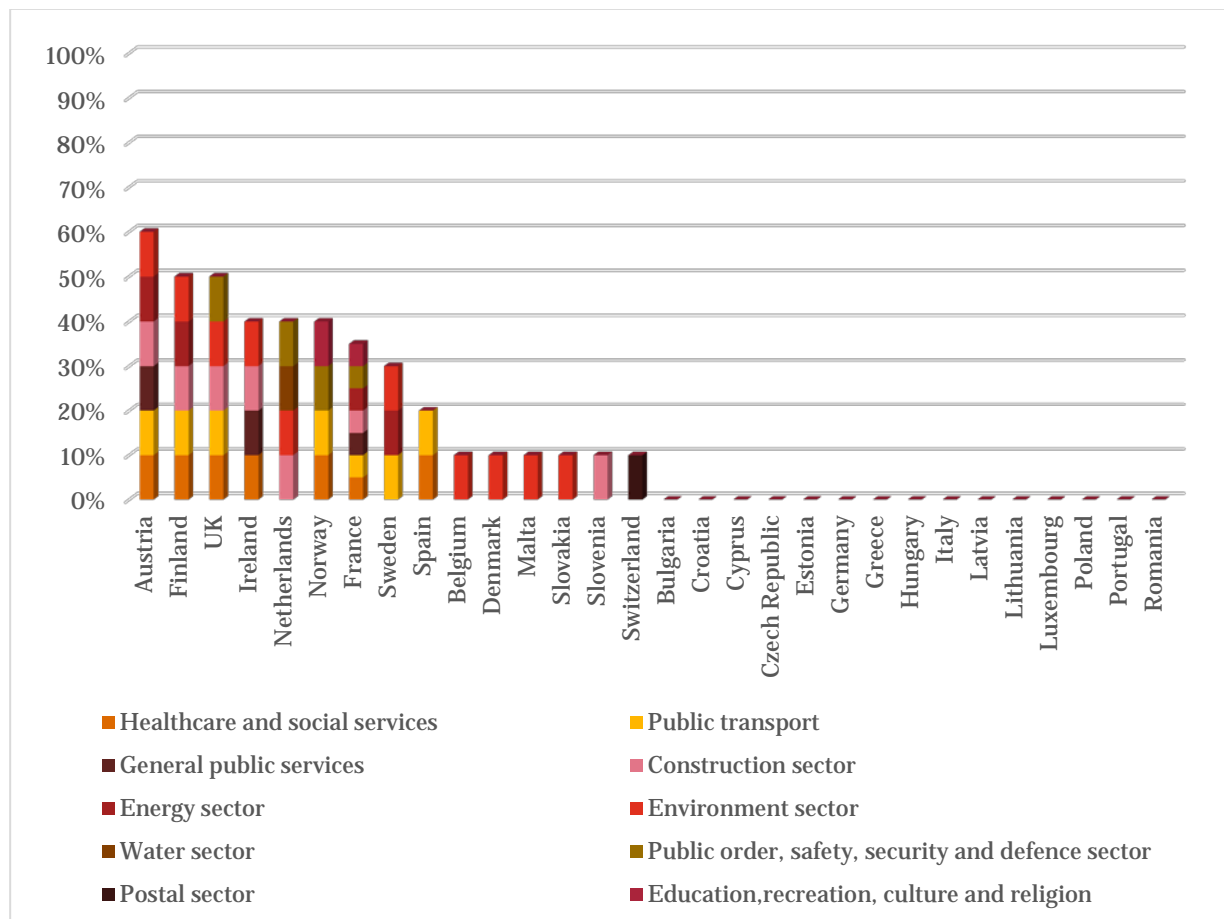
²⁵ The following 10 sectors are defined in the EU public procurement directives: (I) healthcare and social services; (II) public transport (such as railway, urban railway, tramway, trolleybus, bus services, airport and port related activities); (III) general public services, public administration (covering e-government), economic and financial affairs; (IV) construction, housing and community amenities; (V) energy (covering exploration, extraction, production, transport and distribution of energy such as electricity, gas, heat, oil, coal and other solid fuels); (VI) environment; (VII) water; (VIII) postal services; (IX) public order, safety, security and defence; (X) education, recreation, culture and religion

Countries	Healthcare and social services	Public transport	General public services	Construction sector	Energy sector	Environment sector	Water sector	Public order, safety, security and defence sector	Postal sector	Education, recreation, culture and religion	Total
<i>Denmark</i>	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%
<i>Estonia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Finland</i>	100%	100%	0%	100%	100%	100%	0%	0%	0%	0%	50%
<i>France</i>	50%	50%	50%	50%	50%	0%	0%	50%	0%	50%	35%
<i>Germany</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Greece</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Hungary</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Ireland</i>	100%	0%	100%	100%	0%	100%	0%	0%	0%	0%	40%
<i>Italy</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Latvia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Lithuania</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Luxembourg</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Malta</i>	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%
<i>Netherlands</i>	0%	0%	0%	100%	0%	100%	100%	100%	0%	0%	40%
<i>Norway</i>	100%	100%	0%	0%	0%	0%	0%	100%	0%	100%	40%
<i>Poland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Portugal</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Romania</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Slovakia</i>	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%
<i>Slovenia</i>	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	10%
<i>Spain</i>	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	20%
<i>Sweden</i>	0%	100%	0%	0%	100%	100%	0%	0%	0%	0%	30%
<i>Switzerland</i>	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	10%
<i>UK</i>	100%	100%	0%	100%	0%	100%	0%	100%	0%	0%	50%
EU average	21,7%	21,7%	8,3%	21,7%	11,7%	33,3%	3,3%	11,7%	3,3%	5,0%	14,2%

Not all 30 countries have adopted sectoral action plans or strategies which recognize innovation procurement as a strategic priority. There is not a single country that has incorporated innovation procurement in the national strategies for all ten areas of public sector activity yet. The best performers in this field are Austria (60% score, meaning innovation procurement is recognized in 6 out of 10 areas of public sector activity) and the UK and Finland (50% score), followed by Ireland, the Netherlands and Norway (with 40% score). The EU Average of this indicator is 14,2%. This rather low EU average is due to the fact that 15 out of 30 countries have not incorporated innovation procurement in the strategy for any area of public sector activity yet and not a single country has incorporated innovation procurement in more than 6 out of 10 areas of public sector activity.

Considering separately each sub-indicator, innovation procurement is most frequently embedded as a strategic priority in policy frameworks and action plans of the environment sector (in approx. 33% of countries), followed by the health and social services, public transport and construction sectors (in approx. 22% of countries), then energy and security and defence (in approx. 12% of countries), then general public services (in approx. 8% of countries), then in the education/cultural sector (in approx. 5% of countries) and finally in water, and postal sectors (in approx. 3% of countries).

Figure 5 – Indicator "Sectoral policies" overall ranking



3.4.1 Healthcare and social services

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, ES, FI, IE, NO, UK (6)	FR (1)	
Not for all types of innovation procurement			
Not available			BE, BG, CH, CY, CZ, DE, DK, EE, EL, HR, HU, IT, LT, LU, LV, MT, NL, PL, PT, RO, SE, SI, SK (23)

7 countries encourage the use of innovation procurement in the health and social care sector:

- 6 countries (AT, ES, FI, IE, NO, UK) have included innovation procurement as strategic priority in national policy frameworks and action plans of the health care and social service sector that are applicable to the whole country and for all types of innovation procurement.
- 1 country (FR) implements actions that are not applicable countrywide. The country has developed a roadmap to adapt the work programme of the public sector according to the spending target of the National Pact for Growth, Competitiveness and Employment. The roadmap is not addressed to all public procurers in the country, but only to those affected by the National Pact (i.e, the State - e.g. Ministries, the central authorities - *établissements publics*, and the hospitals). Conversely, non-hospital type health or social care procurers at regional and local level are not concerned.

In 23 countries (BE, BG, CH, CY, CZ, DE, DK, EE, EL, HR, HU, IT, LT, LU, LV, MT, NL, PL, PT, RO, SE, SI, SK) the national strategies for health care and social services do not recognize the strategic importance of innovation procurement yet for modernizing public health and social services.

3.4.2 Public transport

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, ES, FI, NO, SE, UK (6)	FR(1)	
Not for all types of innovation procurement			
Not available			BE, BG, CH, CY, CZ, DE, DK, EE, EL, HR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, RO, SI, SK, (23)

7 countries encourage the use of innovation procurement in the public transport sector:

- Innovation procurement is embedded as strategic priority in the whole country and for all types of innovation procurement in 6 countries (AT, ES, FI, NO, SE, UK). Among the most structured strategies in the field is worth mentioning the Austrian *Strategy for clean energy in transport* which concedes a pioneering role to the public sector and to innovation procurement in the reconstruction and modernisation of the transport system. In Sweden, sectoral policies are built on continuous consensus of stakeholder groups that work and collaborate in ad-hoc forums. In this context, the group that deals with transportation of the future has recognized innovation procurement as one of the key priorities for the development and modernisation of the public transport sector in the Country.
- In one country (FR) the roadmap in the context of transport sector is not addressed to all public procurers in the country, but only to those which are affected by the spending target of the National Pact for Growth, Competitiveness and Employment (i.e, the State - e.g. Ministries, the central authorities - *établissements publics*, and the hospitals). Conversely, regional and local procurers are not concerned.

In 23 countries (BE, BG, CY, CH, CZ, DE, DK, EE, EL, HR, HU, IE, IT, LV, LT, LU, MT, NL, PL, PT, RO, SK, SI) the national strategies for the public transport sector do not recognize the strategic importance of innovation procurement yet for modernizing the transport sector.

3.4.3 General public services

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, IE (2)	FR (1)	
Not for all types of innovation procurement			
Not available			BE, BG, CH, CY, CZ, DE, DK, EE, EL, ES, FI, HR, HU, IT, LT, LU, LV, MT, NL, NO, PL, PT, RO, SE, SI, SK, UK (27)

Overall, in this sector the use of innovation procurement is envisaged in 3 countries.

- 2 countries (AT and IE) report to have included innovation procurement as strategic priority in policy frameworks and action plans applicable in the whole country and to all public procurers. In Ireland, the Government Public Service Reform Programme includes innovation procurement as the most important instrument to reach two reform's objectives: maximising value for money and delivering sustainable public services for tax payers.
- In France, the roadmap published in the context of this sector is not addressed to all public procurers in the country, but only to those which are affected by the spending target of the National Pact for Growth, Competitiveness and Employment (i.e. the State - e.g. Ministries, the central authorities - *établissements publics*, and the hospitals). Conversely, regional and local procurers are not concerned.

In 27 countries (BE, BG, CH, CY, CZ, DE, DK, EE, EL, ES, FI, HR, HU, IT, LT, LU, LV, MT, NL, NO, PL, PT, RO, SE, SI, SK, UK) the national strategies do not recognize the strategic importance of innovation procurement yet.

3.4.4 Construction sector

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, FI, IE, NL, SI, UK (6)	FR (1)	
Not for all types of innovation procurement			
Not available			BE, BG, CH, CY, CZ, DE, DK, EE, EL, ES, HR, HU, IT, LT, LU, LV, MT, NO, PL, PT, RO, SE, SK (23)

Innovation procurement is embedded as strategic priority in the construction sector in 7 countries (AT, FI, FR, IE, NL, SI, UK).

- 3 countries (IE, NL, UK) have a more systematic and detailed approach to support public authorities to undertake more innovation procurement in the sector. The Irish "Capital Works Management Framework" and the "Construction agenda" adopted by Dutch Ministries of

infrastructure and housing represent a sector specific framework for public procurer in the construction sector. In UK the Government Construction strategy embeds innovation procurement as a strategic tool to be used by the public sector to drive changes in the sector.. In these 3 countries innovation procurement is applicable countrywide and to all types of innovation procurement.

- In Austria the support to innovation procurement is embedded in national guideline (Austrian federal Guidelines for Building culture and stimulus Program, 2017).
- In the Finnish Government Programme 2015-2019 innovation procurement is applicable to all public sector procurers and to all types of innovation procurements.
- The Slovenian Smart Specialization Strategy (S4) sets specific objectives in the field of “Smart buildings and homes, including wood chain” to be achieved also through the smart use of PCPs and PPIs.
- In France, the roadmap published in the context of this sector is not addressed to all public procurers in the country, but only to those which are affected by the spending target of the National Pact for Growth, Competitiveness and Employment (i.e, the State - e.g. Ministries, the central authorities - *établissements publics*, and the hospitals). Conversely, regional and local procurers are not concerned.

In 23 countries (BE, BG, CH CY, CZ, DE, DK, EE, EL, ES, HR, HU, IT, LT, LU, LV, MT, NO, PL, PT, RO, SE, SK) the national strategy for the construction sector do not recognize the strategic importance of innovation procurement yet.

3.4.5 Energy sector

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, FI, SE (3)	FR (1)	
Not for all types of innovation procurement			
Not available			BE, BG, CH, CY, CZ, DE, DK, EE, EL, ES, HR, HU, IE, IT, LT, LU, LV, MT, NL, NO, PL, PT, RO, SI, SK, UK (26)

4 countries (AT, FI, FR, SE) have included innovation procurement as strategic priority in policy frameworks and action plans in the energy sector.

- In three countries (AT, FI, SE), innovation procurement is recognised in the energy sector in a way that is applicable to all public procurers and for all types of innovation procurement.
- In France, the roadmap published in the context of the energy sector is not applicable countrywide as it is not addressed to all public procurers in the country, but only to those affected by the spending target of the National Pact for Growth, Competitiveness and Employment (namely, the State - e.g. Ministries, the central authorities - *établissements publics*, and the hospitals). Regional and local procurers are not concerned.

26 countries (BE, BG, CH, CY, CZ, DE, DK, EE, EL, ES, HR, HU, IE, IT, LT, LU, LV, MT, NL, NO, PL, PT, RO, SI, SK, UK) do not specifically recognize the strategic importance of innovation procurement for the energy sector. Some of those countries have an action plan or strategic framework in the energy sector which only foresees the use of Green Public procurement or Sustainable procurement. However, there are no clear references to innovation procurement, PCP and PPI.

3.4.6 Environmental Sector

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, BE, DK, FI, IE, MT, NL, SE, SK, UK (10)		
Not for all types of innovation procurement			
Not available			BG, CH, CY, CZ, DE, EE, EL, ES, FR, HR, HU, IT, LT, LU, LV, NO, PL, PT, RO, SI (20)

In 10 countries (AT, BE, DK, FI, IE, MT, NL, SE, SK, UK) innovation procurement is recognised as a strategic tool available for all public procurers and applicable for all types of innovation procurement. Also in this case the actions and objectives are embedded in a specific environment sector strategy or in a high level horizontal policies. The support to innovation procurement is often facilitated by the existence of Green public procurement frameworks, which are directly or indirectly linked to innovation procurement practices (e.g. BE, DK, MT, SK).

In 20 countries the energy policy does not explicitly recognize the strategic importance of innovation procurement to modernize public service provisioning.

3.4.7 Water Sector

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	NL (1)		
Not for all types of innovation procurement			
Not available			AT, BE, BG, CH, CY, CZ, DE, DK, EE, EL, FI, HR, HU, IE, IT, LT, LU, LV, MT, NO, PL, PT, RO, SE, SK, SI, UK (29)

The Netherlands is the only country which has embedded innovation procurement in its water policy. In particular, the Union of Dutch Waterboards has positioned innovation procurement clearly as an objective in their procurement strategy since 2014.²⁶ Innovation procurement by water sector procurers is also explicitly encouraged in the Ministry of infrastructure and environment's High Water Protection Programme.

29 countries (AT, BE, BG, CH, CY, CZ, DE, DK, EE, EL, FI, HR, HU, IE, IT, LT, LU, LV, MT, NO, PL, PT, RO, SE, SK, SI, UK) have not included innovation procurement as strategic priority in policy frameworks and action plans of the water sector.

²⁶ <https://www.uvw.nl/wp-content/uploads/2018/01/De-waterschapsmarkt-van-de-toekomst-visiedocument.pdf>

3.4.8 Public order, safety, security and defence sector

	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	NL, NO, UK (3)	FR (1)	
Not for all types of innovation procurement			
Not available			AT, BE, BG, CH, CY, CZ, DK, FI, DE, EE, EL, ES, HR, HU, IE, IT, LT, LU, LV, MT, PL, PT, RO, SK, SE, SI (26)

4 countries (FR, NL, NO and UK) have included innovation procurement as strategic priority in policy frameworks and action plans of the public order, safety, security and defence sector.

- In 3 countries (NL, NO, UK) innovation procurement is endorsed by national policy frameworks that are applicable country wide and for all types of innovation procurement. In the Netherlands, the Ministry of justice and security has adopted in 2018 its step-by-step plan for innovation procurement²⁷ while the Ministry of defence has adopted a strategy both for pre-commercial procurement and public procurement of innovative solutions²⁸. In the UK, the National Security Strategy and Strategic Defence and Security Review 2015²⁹ committed to increase the budget to support the procurement of innovative solutions to the challenges facing the Armed Forces. In Norway, the Strategy for the Norwegian Armed Forces states that the public sector will explicitly focus on innovative SMEs in their procurement procedures in the coming years.
- In France, the innovation procurement roadmap published in the context of this sector is not applicable countrywide as it is not addressed to all public procurers in the country, but only to those affected by the spending target of the National Pact for Growth, Competitiveness and Employment (namely, the State - e.g. Ministries, the central authorities - établissements publics, and the hospitals). Regional and local procurers are not concerned.

26 countries (AT, BE, BG, CH, CY, CZ, DK, FI, DE, EE, EL, ES, HR, HU, IE, IT, LT, LU, LV, MT, PL, PT, RO, SE, SI, SK) have not included innovation procurement as strategic priority in policy frameworks and action plans of the public order, safety, security and defence sector.

²⁷ <https://www.pianoo.nl/document/15181/stappenplan-innovatiegericht-inkopen-ministerie-van-veiligheid-justitie>

²⁸ <https://www.defensie.nl/onderwerpen/innovatie/front> and <https://www.defensie.nl/onderwerpen/innovatie>

²⁹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/478936/52309_Cm_9161_NSS_SD_Review_PRINT_only.pdf

3.4.9 Postal Sector

	Applicable countrywide	Not applicable countrywide	Not applicable
For all types of innovation procurement	CH (1)		
Not for all types of innovation procurement			
Not applicable			AT, BE, BG, CY, CZ, DE, DK, EE, ES, EL, FI, FR, HR, HU, IE, IT, LT, LU, LV, MT, NL, NO, PL, PT, RO, SK, SI, SE, UK (29)

Only Switzerland has included innovation procurement as strategic priority in policy framework of the postal sector. In particular, the procurement strategy 2017-2020 of the Swiss Post³⁰ aims at making the organization a “discoverer of innovations”. It encourages the evaluation of potential suppliers according to a wide range of criteria which include quality, price, product/performance, risks, potential for innovation and performance, ecological aspects and opportunities for electronic communication.

The remaining 29 countries (AT, BE, BG, CY, CZ, DE, DK, EE, ES, EL, FI, FR, HR, HU, IE, IT, LV, LT, LU, MT, NL, NO, PL, PT, RO, SE, SI, SK, UK) have not included innovation procurement as strategic priority in policy framework of the postal sector.

3.4.10 Education, recreation, culture and religion

	Applicable countrywide	Not applicable countrywide	Not applicable
For all types of innovation procurement	NO (1)	FR (1)	
Not for all types of innovation procurement			
Not applicable			AT, BE, BG, CH, CY, CZ, DE, DK, EE, ES, EL, FI, HR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, RO, SE, SI, SK, UK (28)

Overall, two countries (FR and NO) have included innovation procurement as strategic priority in policy frameworks and action plans in this sector.

- Norway has included innovation procurement as strategic priority in a way that is applicable to all public procurers and for all types of innovation procurement. In particular, the Long-term

³⁰ Swiss Post, a public Company owned by the Swiss Confederation, is the national postal service of the country.

Plan for Research in Higher Education recognizes the role of innovation procurement as a tool to increase demand of innovation in the sector.

- In France, the innovation procurement roadmap published in the education sector is only addressed to public procurers included in the spending target of the National Pact for Growth, Competitiveness and Employment (i.e, the State - e.g. Ministries, the central authorities - établissements publics, and the hospitals). Regional and local procurers are therefore not concerned.

In 28 countries (AT, BE, BG, CH, CY, CZ, DE, DK, EE, ES, EL, FI, HR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, RO, SE, SI, SK, UK) innovation procurement is not included as strategic priority in policy frameworks or action plans in the education, cultural, recreation or religion sector.

3.5 Indicator 5 – Action plan

This indicator reflects to what extent each country has developed a dedicated action plan that foresees specific measures that are not covered by other horizontal policies (see indicator 2) or sectoral policies (see indicator 3 and 4) to encourage innovation procurement in a coordinated way across the country.

The table below provides the overall scores for Indicator 5 for each country that has adopted an action plan, based on the scores for the 9 sub-indicators shown in the columns in the table.

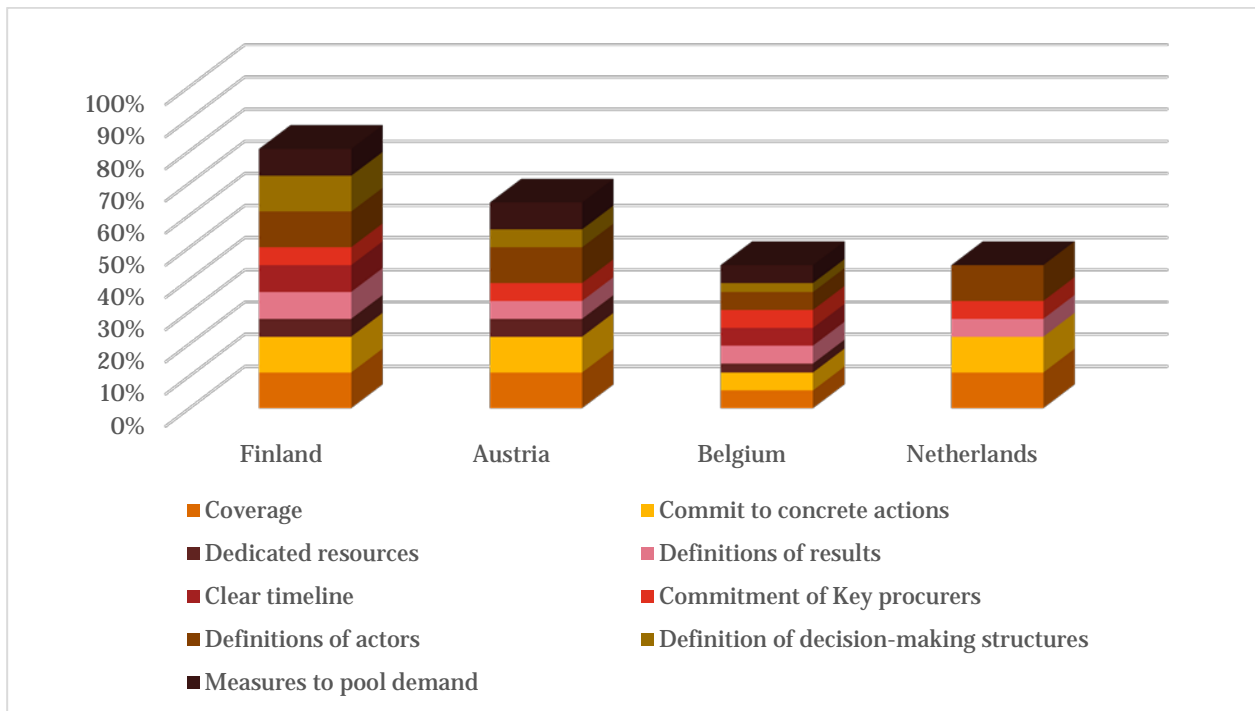
Country	Coverage	Concrete actions	Resources	Def. of results	Timeline	Commitment of key procurers	Definition of actors	Definition of decision-making structures	Measures to pool demand	Total
<i>Austria</i>	100%	100%	50%	50%	0%	50%	100%	50%	75%	64%
<i>Belgium</i>	50%	50%	25%	50%	50%	50%	50%	25%	50%	44%
<i>Finland</i>	100%	100%	50%	75%	75%	50%	100%	100%	75%	81%
<i>Netherlands</i>	100%	100%	0%	50%	0%	50%	100%	0%	0%	44%
<i>All other 26 countries</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
EU average	12%	12%	4%	8%	4%	7%	12%	6%	7%	8%

In only 4 countries (AT, BE, FI, NL), governments have adopted a dedicated action plan for innovation procurement. Finland was deemed to have the most comprehensive, well-structured and up-to-date one, ranking first. More information on each of these four countries' action plans is provided in section 2.5.1.1.

It is worth stressing that 5 other countries (DK, EE, EL, FR, SE) have not adopted a stand-alone action plan for innovation procurement for their country but have included specific objectives and concrete measures on innovation procurement in wider national strategies or programmes, often with a dedicated budget and with a clear commitment of key actors. More information on each of these five countries actions on innovation procurement that are included in wider strategies is provided in section 2.5.1.2.

The EU average for the indicator "action plan" is 8%. This is mainly due to the fact that in the majority of the countries (21 countries: BG, CY, CH, CZ, DE, ES, HR, HU, IE, IT, LV, LT, LU, MT, PL, PT, RO, SK, SI, UK, NO) there is no dedicated action plan for innovation procurement yet, nor a set of coordinated policy objectives and concrete measures for innovation procurement in other global national strategies to mainstream innovation procurement across the whole country. Despite the fact that there may be individual sectoral or horizontal policy initiatives in those countries, they are not part of an overall umbrella strategy to foster innovation procurement more widely across the whole country.

Figure 6 – Indicator "Action plan" overall ranking



3.5.1 Countries with dedicated innovation procurement action plan

The following table elaborates on the dedicated innovation procurement action plans in AT, BE, FI, and NL.

Country	Action plan – evidence
Austria	<p>The Action Plan on Public Procurement Promoting Innovation (PPPI) was adopted in 2012 by the Austrian Federal Government as a follow up of the “Austrian Strategy for Research, Technology and Innovation” (2011). It aims at making PPPI an element of demand side innovation policy, complementing supply side measures, and increasing the share of public procurement volume used for innovation. The action plan covers all types of innovation procurement, is applicable across the country and to all public procurers in all sectors and administrative levels and aims at mainstreaming innovation at a large scale.</p> <p>The action plan identifies concrete actions (e.g. the management of a PPPI platform) and defined a clear timeline to implement these actions in the time period 2012-2013. However the timeline in the action plan is not up-to-date any more (there are no actions defined with target completion date beyond 2013). Therefore the score for sub-indicator timeline is 0%. The defined actions and activities are linked to a set of specific objectives which translate the overall strategic objectives and the mission of the action plan. The specific objectives include (i) raising awareness on innovation through public procurement; (ii) fostering dialogue between demand and supply; (iii) qualifying decision makers and procurers for PPPI; (iv) introducing and fostering new approaches for PPPI; (v) establishing a monitoring and benchmarking system; (vi) integrating PPPI actions in sectorial strategies and in different administrative levels.</p> <p>The action plan is financed by the Ministry for Digital and Economic Affairs (BMDW) and the Ministry for Transport, Innovation and Technology (BMVIT). Actions, objectives and dedicated resources are implemented for all types of innovation procurement, but not for all key actors in the country (committed resources to achieve the objectives are clear for the competence center but not for other ministries and key procurers in the country, the expected results from other actors besides the competence center are defined less clearly) and do not enable to achieve</p>

Country	Action plan – evidence
	<p>mainstreaming of innovation procurement at a large scale.</p> <p>In terms of governance, the action plan defines actors to achieve different objectives. For example, the key procurement organisation involved in the implementation of the action plan is the PPPI Service Centre.³¹ Its services cover three main objectives: raising awareness for PPPI, matching public procurers and potential suppliers of innovative solutions, and increasing the overall share of procurement budgets used for PPPI.</p> <p>The Service Centre operates under the roof of the Austrian Federal Procurement Agency and on behalf of the two ministries responsible for the implementation of the action plan (i.e. the BMWD and the BMVIT). While covering all types of innovation procurement widely across the country, the activities implemented by the Service Centre have not reached yet the stage of being able to mainstream innovation at large scale. As suggested in the evaluation of the PPPI action plan “the necessary political backing exists, it is expressed in several strategic documents but has not reached a sufficient level”.³² It is recognised that a number of “preparatory actions” took place on how to implement PPI in different public sector organisations (including ministries), but they have not been defined in a strategic plan yet. Consequently, a systematic dedication of procurement budgets for the purpose of PPPI activities is currently only observable in the context of PPPI “pilot projects”.</p> <p>With regard to decision-making structures, again the interaction between the competence center and its funding ministries BMWD and BMVIT are clear but the action plan does not define a clear decision making structure with other ministries and key procurers to ensure implementation of the objectives. The PPPI Service Centre participates in regular joint meetings with the two ministries including meetings of the so-called PPI steering group that includes representatives of the higher levels of the ministerial hierarchy. Amongst others, during these meetings the plans of the Service Center activities for the coming year are discussed and defined. The evaluation of the PPI Action Plan implementation raised some concerns related to the governance structure, including the absence of a clear distribution of tasks and roles among ministries (currently based on non-binding agreements) and the challenges faced by actively managing the Action Plan especially with regard to other ministries.</p> <p>Finally, through the involvement of the national central purchasing body BBG the action plan defines concrete measures to pool demand among public and private procurers across the whole country and for all types of innovation procurement, however not at a scale to scale up innovation procurement widely yet.</p>
Belgium	<p>At national level there is no dedicated action plan for innovation procurement, while there is one at regional level, in the Flemish region. The total score for most of the sub-indicators is 50%, as the action plan does not cover the whole country. The score for definition of results and definition of resources is 25% because these aspects are clear for the Flemish government and the PIO programme but are not clearly defined for other key actors/public procurers in the Flemish region covered by the action plan.</p> <p>Flanders has an action plan³³ for innovation procurement and innovative procurement that aims to promote innovation in public procurements of all public procurers in all sectors across the region. In this context innovation procurement covers all types of innovation procurement (both R&D procurement, incl. PCP, and PPI).</p> <p>The Flemish government has adopted the Innovative Public Procurement Program (PIO)³⁴ to promote innovation procurement in the Flemish region. The first round of PIO has been running from 2009 to 2015, the second from 2016 to 2019. Thanks to this program, all Flemish government and public sector organizations that fall under the Belgian Public Procurement Act can</p>

³¹ <http://www.ioeb.at/>

³² https://repository.fteval.at/331/1/I%C3%96B-Evaluierung_Kurzfassung%20EN_barrierefrei.pdf

³³ <http://www.innovatieveoverheidsopdrachten.be/over-pio/plan-van-aanpak>

³⁴ <http://www.innovatieveoverheidsopdrachten.be/gids-voor-innovatieve-overheidsopdrachten>

Country	Action plan – evidence
	<p>contact PIO for information, advice, guidance and co-financing for innovative purchasing projects. PIO has well-defined action plan with expected results, clear timeline and budget (5 Million per year from the Flemish government).</p> <p>PIO is supported by the Flemish Ministry of Economy, Science and Innovation, which is also its manager.</p> <p>PIO has a number of strategic goals:</p> <ol style="list-style-type: none"> 1) To establish a knowledge centre on innovation procurement; 2) To reach 3% of the Flemish Government's budget for public procurement for innovation procurement; 3) To draft a portfolio of projects and good practices as examples in order to raise awareness about innovation procurement; 4) To stimulate public organisations to participate in EU opportunities of innovation procurement (such as Horizon2020). <p>In Flanders, there are also some examples of action plans at local level, like the Municipality of Ghent, which has its own innovation procurement strategy since 2014³⁵.</p>
Finland	<p>In December 2017 Finland has adopted a dedicated Action Plan on innovation procurement, which is was initiated by the Ministry of Economic Affairs and Employment.³⁶ The overall purpose of the action plan is to promote a more strategic approach to innovation procurement at the Government level and enhance management and preparation of procurements in administrative branches. The action plan covers all types of innovation procurement, is applicable across the country and to all public procurers in all sectors and administrative levels and aims at mainstreaming innovation at a large scale.</p> <p>The action plan defines concrete actions. The Action Plan contains 14 different measures divided in four main categories: management, information sharing, skills development, and concrete tools (e.g. risk management tools). The action plan also defines concrete responsible actors for each action to be implemented. For each of the 14 measures, tasks are divided among the responsible actors which range from the competence center KEINO to all ministries in the central government, the central purchasing body HANSEL, the funding entities Sitra and Business Finland, the training entity HAUS etc.</p> <p>The action plan defines for each action concrete expected results. For example, according to the Action Plan, innovation procurement should be included in the performance management (KPIs) of each public sector organisation to ensure a systematic approach. Furthermore, public organisations should assign a person in charge of achieving the objectives on innovation procurements (so called "change agents") and provide training activities tailored to innovation procurement.</p> <p>The action plan defines a clear timeline to implement all the objectives in two phases.</p> <p>The specific objectives of the Action Plan are:</p> <ul style="list-style-type: none"> • Promoting a more strategic approach to innovation procurement; • Promoting a better management and preparation of procurements in administrative branches; • Creating a systematic development process for cooperation across central government

³⁵

http://www.ecoprocura.eu/fileadmin/editor_files/images/Ghent_sustainable_procurement_strategy_and_innovation_charter.pdf

³⁶ <https://tem.fi/documents/1410877/2132296/IJH+Toimenpidesuunnitelma.pdf/3fe413eb-0fd5-4dc3-9797-74ce98694503> (in Finnish). https://tem.fi/en/article/-/asset_publisher/innovatiivisten-julkisten-hankintojen-toimenpideohjelman-on-valmistunut (in English)

Country	Action plan – evidence
	<p>sectors and administrative branches;</p> <ul style="list-style-type: none"> • Support to the Government objective to raise the share of innovation procurement of all public procurement to 5% (cf. Indicator "Target")³⁷. <p>The second phase of the plan consists of defining supporting activities for each administrative branch. Support and coaching, tailored to the needs of each administrative branch, will be provided to promote the implementation of the measures. The second phase is already underway in the form of coaching meetings for each administrative branch. These meetings will continue until January 2019. As the timeline does not cover long term actions to sustain wide scale implementation yet, the score for the sub-indicator timeline is therefore 75%. Finally, dedicated resources have been allocated by the ministry of economics for the activities in the action plan to be implemented by the national Finnish competence centre on innovation procurement KEINO. However it is not clear which resources are exactly committed by the other key actors listed in the action plan to achieve their objectives in the action plan.</p> <p>The fact that innovation procurement is now addressed in the whole country is also proved by the existence of local initiatives. For example, the cities of Turku and Tampere have their own actions to promote innovation procurement.³⁸</p> <p>Finally, through the involvement of the national central purchasing body Hansel and the creation of purchasing groups the action plan defines concrete measures to pool demand among public and private procurers across the whole country and for all types of innovation procurement, however this is not implemented yet at a scale to mainstream innovation procurement widely yet.</p>
Netherlands	<p>The Netherlands has a national Action Plan for innovation procurement since 2013³⁹. The action plan commits to concrete actions and objectives. This includes setting up new innovation procurement projects, increasing the use of innovation procurement instruments, activating also local and regional authorities, water and health procurers to use more innovation procurement, developing financial incentives and a monitoring system to report back on innovation procurement implementation progress to the Dutch parliament. The development of the action plan is supported by the formal engagement of some key contracting authorities to the action plan (national government, regional and local authorities, water and health care procurers, other public procurers e.g. energy utilities are not involved) but only one procurer (Rijkswaterstaat) formally committed to achieve the 2,5% target. The key actor for the implementation of the Action Plan is PIANOO⁴⁰, the Competence Centre for Public Procurement, including innovation procurement. In this context, PIANOO sets once a year an agenda which plans detailed objectives and initiatives.</p> <p>The action plan does not have specific measures to pool demand, does not defined a specific decision-making structure does not have a clear timeline (milestones defined in the action plan do not go beyond 2015) nor dedicated resources. There is an overall definition of expected results but this is not clearly broken down per actor and there is formal commitment from some key procurers but not from public procurers in all sectors, both of them therefore not fully enabling mainstreaming innovation procurement widely across the country.</p>

Overall, the action plans of the 4 countries include most of the elements analysed in this study. The most comprehensive action plan covering all the elements has been developed in Finland. The paragraphs below provide the most relevant evidence collected under this indicator.

³⁷ http://valtioneuvosto.fi/documents/10184/1427398/Ratkaisujen+Suomi_EN_YHDISTETTY_netti.pdf/8d2e1a66-e24a-4073-8303-ee3127fbfac

³⁸ <https://turkubusinessregion.com/en/services/growth-and-development/growth-from-municipal-customers/> ; <http://projects.smarttampere.fi/procurement> ; <https://yritystampere.fi/en/open/experiments-and-innovative-procurement>

³⁹ <https://www.pianoo.nl/document/14291/plan-van-aanpak-programma-inkoop-innovatie-urgent>

⁴⁰ <https://www.pianoo.nl/>

- All the action plans analysed have clearly defined the **coverage** and specified **concrete actions**. Actions are usually defined as a result of the definition of operative goals. For example, in Austria the Action Plan on Public Procurement Promoting Innovation (PPPI) envisages awareness raising activities, established ways to introduce new approaches to PPPI and the integration of PPPI in sectoral strategies and at different administrative levels. In Finland, the Action Plan contains 14 different measures divided in four main categories: management, information sharing, skills development, and concrete tools (e.g. risk management tools). In the Netherlands, the “Action plan for innovation procurement” includes activities to develop projects focused on innovation procurement, activities to enhance the usage of innovation procurement instruments at general and sector level, e.g. water and health.
- 3 countries have allocated dedicated **resources** to the action plan (AT, BE, FI). However, the budget allocated in all three countries – while allowing to develop pilot projects and organise a number of activities – is sufficient able to mainstream innovation procurement at large scale.
- In addition, Belgium and Finland defined a specific **timeline** for the implementation of the activities. Also Austria had defined a clear timeline to in the time period 2012-2013. However the timeline in the action plan is not up-to-date any more (there are no actions defined with target completion date beyond 2013).
- **Commitment of key procurers** was identified in all 4 countries.
- In terms of governance, in AT, BE and FI the action plan includes a **definition of both actors and decision making structures**, while in NL only a definition of actors is provided.

3.5.2 Countries with innovation procurement actions in wider strategies

5 countries (DK, EE, EL, FR, SE) do not have a stand-alone action plan but have included policy objectives and concrete measures to foster innovation procurement in wider national strategies or programmes, often with a dedicated budget and with a clear commitment of key actors. Even if no score is attributed to these countries, the evidence is reported below for completeness:

- **Denmark.** Within its “Strategy for intelligent public procurement” (2013), the Danish government has defined seven guiding principles for public procurement that request procurers to implement a list of actions to support innovation procurement practices.
- **Estonia** set up a specific measure under the Estonian Entrepreneurship and Growth strategy 2014-2020 called “State as a smart customer” that is funded by the EU Regional Development Fund (20 million euro per year). It defines objectives to foster innovation procurement in Estonia through a set of actions and a clear timeline. It is managed by Enterprise Estonia (EAS) under the supervision of the Ministry of Economic Affairs and Communications. Implemented activities under this measure include training, guidelines, the development of a monitoring system and the provisioning of financial incentives for innovation procurements to public procurers.
- **Greece.** The Action Plan for national Procurement Strategy (2017) identifies a list of actions to promote innovation procurement in the country, including (i) conducting a special study to promote innovation in the sectors of health, energy, environment and transport, (ii) building knowledge for the public sector and for economic operators regarding the new legislative framework for promoting innovation procurement and (iii) developing support actions and promoting clusters in the relevant field.
- **France.** As explained in Indicator 2, the National Pact for Growth, Competitiveness and Employment (2012) and the following Prime Minister Circular 5681/SG (2013) required each national central authority that is subject to the 2% innovation procurement target to produce a sectoral roadmap for innovation procurement. These roadmaps set a number of initiatives to foster innovation procurement but do not constitute a stand-alone Action Plan in the field.
- **Sweden.** The National Public Procurement Strategy dedicated specific actions and objectives to innovation procurement. Innovation procurement is one of the seven objectives identified in the Strategy which also encourages the use of functional specifications in procurement

procedures to foster innovative practices and ideas. The Strategy is implemented by the Swedish national competence center for innovation procurement, the National Agency for Public Procurement that, together with other Ministries and national Agencies, provides assistance to contracting authorities and defines innovation procurement-related activities according to their own objectives and needs.

3.6 Indicator 6 – Spending target

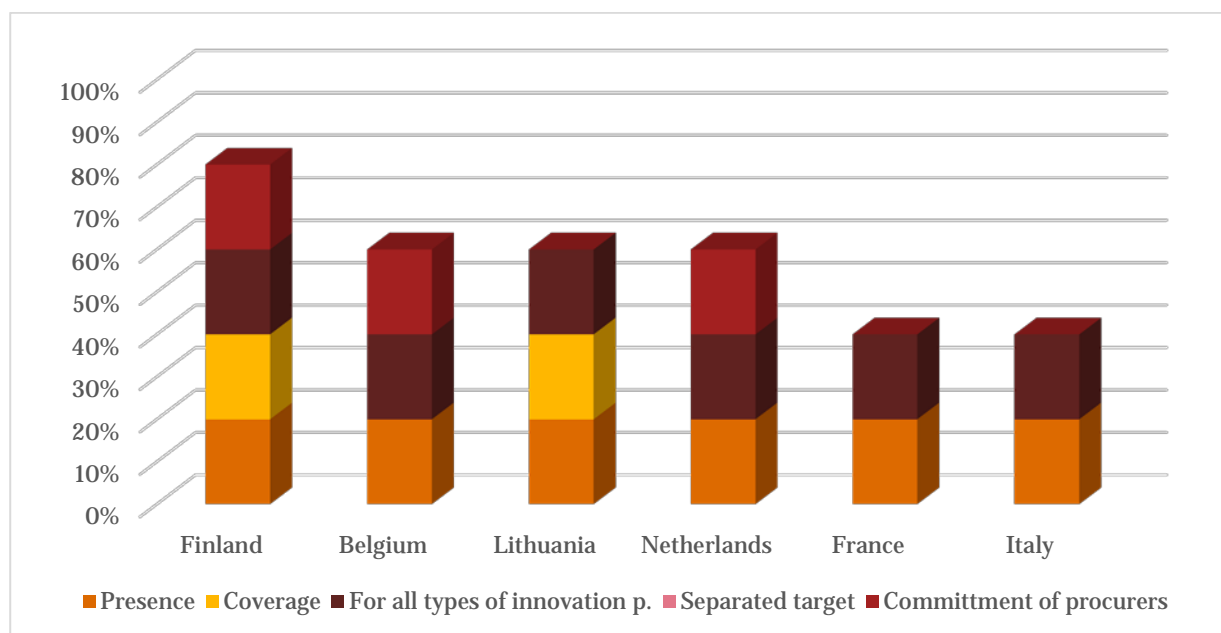
To arrive at an equally innovation friendly public sector as in other regions of the world, there should be 2,5% of R&D procurements and 15-20% of PPI procurements in Europe (as a percentage of total amount of public procurements). Therefore this indicator reflects the progress on target setting for innovation procurement across Europe.

The table below provides the overall scores of Indicator "Spending Target" for each country that has fixed a spending target for innovation procurement based on the information collected about the following 5 sub-indicators: presence (is there a spending target or not in the country), coverage (is the target applicable to all procurers in the whole country), for all types of innovation procurement (as opposed to only for certain types of innovation procurement), separate target (is there a separate target for R&D procurement as well or only for innovation procurement in total), commitment of procurers (are there official commitments from procurers to contribute to reach this target).

Country	Presence	Coverage	For all types of innovation p.	Separated target	Commitment of procurers	Total
Belgium	20%	0%	20%	0%	20%	60%
Finland	20%	20%	20%	0%	20%	80%
France	20%	0%	20%	0%	0%	40%
Italy	20%	0%	20%	0%	0%	40%
Lithuania	20%	20%	20%	0%	0%	60%
Netherlands	20%	0%	20%	0%	20%	60%
All other 24 countries	0%	0%	0%	0%	0%	0%
EU average	4,0%	1,3%	4,0%	0%	2,0%	11,3%

The graph below provides the score for the 6 countries that have fixed a spending target for innovation procurement. Based on the evidence collected, Finland ranks first, followed by Belgium, Lithuania, and the Netherlands. The EU Average for the indicator "spending target" is 11,3%. This is due to the fact that 24 out of 30 countries do not have a specific spending target, even though some of them are currently discussing the possibility of introducing it. In 2 countries, the government has set the objective to implement a target – namely EE (3%) and AT (2%) – but this target is not in operational implementation phase yet. In 2011, Spain set up a spending target in 2011: the 3% of the General State Administration budget should have been spent on innovation. However, as a result of the crisis, since 2013 the target has not been actively implemented.

Figure 7 – Indicator "Spending target" overall ranking



The following paragraphs provide more detail on the scope of the targets in the 6 different countries.

All the countries that have a spending target (BE, FI, FR, IT, LT, NL) have fixed a specific target for innovation procurement that is applicable to all types of innovation procurement. None of these spending targets differentiates between the different kinds of innovation procurement. Only 2 targets (FI and LT) are applicable to all types of public procurers in the whole country. Even though the targets in all 6 countries are formally non-compulsory, there are some countries (BE, FI, NL) in which formal commitment has been obtained from key procurers to reach the target.

The table below provides an overview of the key characteristics of the targets in the 6 countries.

Country	Target	Country wide applicable	Applicable to all types of innovation procurement	Commitment from key procurers	Separate target
Belgium	3% of the total public procurement budget of the Flemish Government (there are also some spending target set at local level, e.g. Ghent city)	No, at regional level (only in Flanders)	Yes	Yes	No
Finland	5% of total country's public procurement spending	Yes	Yes	Yes	No
France	2% of the total public procurement spending of the State (national ministries) and hospitals	Not for all contracting authorities	Yes	No	No
Italy	3% of the total Lombardy region public procurement spending	No, only for the Lombardy Region	Yes	No	No
Lithuania	5% of total country's public procurement spending	Yes	Yes	No	No
Netherlands	2,5 % of total central government's public procurement spending	Not for all contracting authorities	Yes	Yes	No

The highest targets have been fixed in **Lithuania and Finland** (5%), which are also the only countries with a target that is applicable to all procurers in the whole country. In addition, in Finland despite not being formally obliged, advanced municipalities (e.g. Tampere) and ministries (e.g. Finnish Ministry of Transport) have set their own innovation procurement target. As a result, the target has been backed by a structured innovation procurement policy, which has foreseen practical support and monitoring activities, as well as the development of tools to facilitate the implementation of innovation procurement. The spending target has also been embedded in a number of government strategic projects with the aim to create an innovation procurement market and support the strategic use of innovation procurement in the whole economy.

In the **Netherlands**, the central Government set a spending target for innovation procurement at 2,5% of total public procurement spending of the central government⁴¹. This target comprises all types of innovation procurement (R&D procurement, PCP, PPI). Even though the target has a non-compulsory nature, public procurers (e.g. *Rijkswaterstaat*) have embraced the commitment to reach the 2,5% target.

In **France**, the National Pact for Growth, Competitiveness and Employment⁴² set a spending target for innovation procurement in 2012, to be achieved by 2020. However in this case, the spending target is only for innovation procurement awarded to innovative SMEs and MSBs (Small and Medium Enterprises and Mid-Size Businesses)⁴³. In addition, the target has been set only for the central public authorities (the State and its operators) and hospitals, whereas local/regional authorities are excluded. In addition, there is no formal commitment from key procurers to achieve the 2% objective.

In **Belgium**, there is a target that 3% of the total public procurement budget of the Flemish Government should go to innovation procurement. The target is applicable to all types of innovation procurement but it is not country wide (only Flemish region). The target been backed by a structured innovation procurement policy, which has foreseen practical support and monitoring activities, as well as the development of tools to facilitate the implementation of innovation procurement. There are key procurers (e.g. Digipolis which procures ICT for Ghent and Antwerp city) that have taken the commitment for themselves to even exceed the target and adopted themselves a 10% target for innovation procurement spending.

3.7 Indicator 7 – Monitoring system

This indicator reflects the progress of different countries on setting up a monitoring system to measure innovation procurement expenditure in the country and to evaluate the impacts of completed innovation procurements.

The following table provides an overview of the different expenditure measurement and impact evaluation systems in place. The breakdown in sub-indicators reflects if an expenditure measurement and/or an impact evaluation system is in place (presence), if it is applied to all types of innovation procurement (PCP, PPI and R&D), and widely across the whole country. In addition the last column “structured approach” indicates if the measuring and/or evaluation activity is carried out on a regular basis.

⁴¹ Brief aan de Tweede Kamer, Naar de top; het bedrijfslevenbeleid in actie(s), 13/09/2011

⁴² <https://www.economie.gouv.fr/files/PR-competitiveness.pdf>

⁴³ SMEs: The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro; MSBs: they have between 250 and 4.999 employees and an annual turnover < 1.5 billion EUR. “Innovative” SMEs are defined in article L. 214-30 of the Monetary and Financial Code (available at <http://www.acheteurs-publics.com/marches-publics-encyclopedie/pme-innovantes>).

	Measurement system					Evaluation system					Total - Monitoring system
	Presence	For all types of innovation procurement	Widely across the whole country	Structured approach	Measurement system	Presence	For all types of innovation procurement	Widely across the whole country	Structured approach	Evaluation system	
<i>Austria</i>	25%	25%	25%	25%	100%	0%	0%	0%	0%	0%	50%
<i>Belgium</i>	25%	25%	25%	25%	100%	0%	0%	0%	0%	0%	50%
<i>Bulgaria</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Croatia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Cyprus</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Czech Republic</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Denmark</i>	25%	0%	0%	0%	25%	0%	0%	0%	0%	0%	13%
<i>Estonia</i>	25%	25%	25%	25%	100%	0%	0%	0%	0%	0%	50%
<i>Finland</i>	25%	0%	25%	0%	50%	25%	0%	25%	0%	50%	50%
<i>France</i>	25%	25%	0%	0%	50%	0%	0%	0%	0%	0%	25%
<i>Germany</i>	25%	25%	0%	25%	75%	0%	0%	0%	0%	0%	38%
<i>Greece</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Hungary</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Ireland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Italy</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Latvia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Lithuania</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Luxembourg</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

	Measurement system					Evaluation system					Total - Monitoring system
	Presence	For all types of innovation procurement	Widely across the whole country	Structured approach	Measurement system	Presence	For all types of innovation procurement	Widely across the whole country	Structured approach	Evaluation system	
<i>Malta</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Netherlands</i>	25%	25%	0%	0%	50%	0%	0%	0%	0%	0%	25%
<i>Norway</i>	25%	0%	0%	0%	25%	0%	0%	0%	0%	0%	13%
<i>Poland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Portugal</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Romania</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Slovakia</i>	25%	25%	25%	25%	100%	0%	0%	0%	0%	0%	50%
<i>Slovenia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Spain</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Sweden</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Switzerland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>UK</i>	25%	0%	0%	0%	25%	25%	0%	0%	0%	25%	25%
<i>EU average</i>					23%					3%	13%

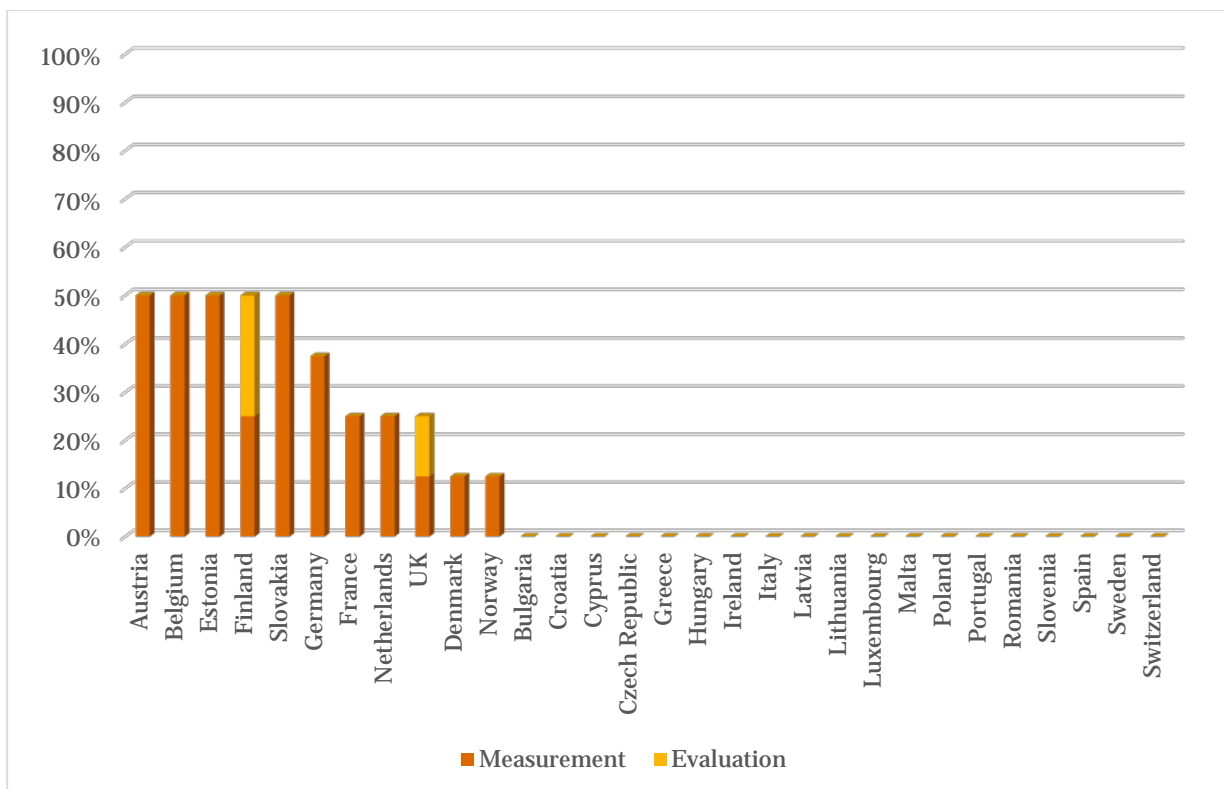
Note: Yes = 25%, No = 0%

The graph below illustrates the score for the indicator "Monitoring system". As we can see no country achieves the maximum score (100%). In terms of country performance, the countries achieving the highest score are Austria, Belgium, Estonia, Finland and Slovakia. However, only Finland has started developing both expenditure measuring and impact evaluation activities for all types of innovation procurement across the country.

The EU Average for this indicator is 13%, which is derived from the average for the sub-indicator "measurement system" (23%) and the average for the sub-indicator "impact evaluation system" (3%). These averages result from the fact that 18 out of 30 countries observed have not setup any form of expenditure measurement or impact evaluation for innovation procurement in their country. In addition, the 12 countries have started developing a some sort of measuring systems which are still not fully developed yet (expenditure measurement is often still done in a non-systematic way and impact evaluation is still widely missing). As different countries want to know how they perform compared to others, several countries are in fact waiting for an EU wide monitoring system to be setup before investing substantially in national monitoring.

The next paragraphs provide an analysis of the different systems put in place at national level.

Figure 8 – Indicator "Monitoring system" overall ranking



3.7.1 Expenditure measurement and impact evaluation systems

11 countries (AT, BE, DE, DK, EE, FI, FR, NL, NO, SK, UK) have developed an approach for measuring the amount of public procurement expenditure spent on innovation procurement.

Among these, 5 countries have developed a structured measurement system:

- Since 2013, **Austria** has been developing a comprehensive innovation procurement monitoring system. The “Action Plan on Public Procurement Promoting Innovation PPPI” provides the context for the monitoring and measurement activities, which consists of four dimensions, i.e. “reporting”,

“assessing”, “measuring”, and “learning”.⁴⁴ All these dimensions provide a general overview on the activity carried out by all the actors involved in the system. The “measuring” activity consists of two pilot surveys which regularly monitor innovation procurement at organisational and at project level. This monitoring system is applicable countrywide and for all types of innovation procurement.

- In **Belgium**, under the PIO program, a measurement system has been set up, to be applied in the Belgian e-Procurement platform and the regional contract management system (e-Delta). It consists of an indicator and aims to highlight innovative tenders from the “normal” procurements. The measuring activity is expected to be carried out on a regular basis across the whole country and for all types of innovation procurement. The first round of measuring innovation procurement spending has recently started, and first statistics are expected in 2019.
- In 2017 the **Slovak Republic** has introduced a system to flag green, social and/or innovation procurements in the form used by procurers to publish their tenders. This measurement system, is applicable countrywide and for all types of innovation procurement. However, it does not allow to distinguish between the different kinds of innovation procurement (it only identifies the innovative object of the tender). This system has not produced statistical results yet.
- In **Germany**, the new regulation for statistical data (§98 and §99 of the German Act against Restraints of Competition – Gesetz gegen Wettbewerbsbeschränkungen – GWB) requires procurers to provide specific types of information for all procurement activities. For procurement under the EU threshold, volume, kind of procedure and product group is required. For procurements above the EU threshold, the indication of different categories such as innovation and environment are required as well.⁴⁵ In the country there have been also some other measurement exercises. For instance, the *Bundeswehrhochschule München* in 2016 carried out a pilot measurement of public procurement in the country. The results of this study estimated that, of an overall €350 billion of public procurement, €40/50 billion, i.e. 11/14% of the overall budget, was spent on innovation procurements.⁴⁶
- A good practice for the collection of data is also the structured system for measuring innovation procurement expenditures put in place in **Estonia**. The country has an effective monitoring system, which, through a survey-based mechanism, enables contracting authorities to directly flag out the potentially innovative tenders on the e-Procurement system. This mechanism is expected to collect, each year, data on the amount of innovation procurement carried out in the country.

Despite not having a structured approach to measure innovation procurement in the country, the other 6 countries have carried out monitoring activities on pilot projects or through single policy initiatives:

- In **Denmark**, the Council for Public-Private Cooperation (ROPS) reports that only 12% of surveyed public buyers have carried out innovation procurement.⁴⁷
- **Finland**, for instance, does not have a structured system to measure or evaluate the impacts of completed innovation procurement, but monitoring activities for a subset of innovation procurements and not widely across the whole country have been carried out. In addition, the Competence Centre for Sustainable and Innovative Public Procurement (KEINO) has the responsibility to monitor innovation procurement, both in terms of its effectiveness and its efficiency. In the coming years it is expected to develop a management-oriented monitoring and evaluation system as well as monitoring and evaluation tools. These include the creation of follow-up indicators, indicators for achieving national targets and to assess and evaluate the effectiveness and efficiency of the innovation procurement processes.
- In **France** there are no structured monitoring and evaluating systems for innovation procurement across the whole country. However, two indicators have been created to evaluate the innovation procurement policy of the State and monitor the achievements of the objectives set by the National Pact for Growth Competitiveness and Employment. The first assesses the number of innovative

⁴⁴https://www.ait.ac.at/fileadmin/mc/innovation_systems/projekte/IOEB/201709_PPPI_Policy_Note_Monitoring_Measurement.pdf

⁴⁵ file:///C:/Users/dbianchini00/Downloads/Presentation_Scheel.pdf

⁴⁶ <https://rio.jrc.ec.europa.eu/en/file/11255/download?token=h7oOt2OW>

⁴⁷ http://ec.europa.eu/regional_policy/sources/policy/how/improving-investment/public-procurement/study/country_profile/dk.pdf

enterprises benefiting from public procurement contracts, focusing on SMEs. The second requires public procurers to identify when public procurement is innovative.

- The **Netherlands**, after having conceived a method for measuring innovation procurement expenditure, which was applied between 2010-2013 to all types of innovation procurements, is putting in place a new voluntary measurement initiative based on a tool in which public procurers can fill in, on voluntary basis, a number of questions to report to what extent completed public procurements were innovation procurements. However, the measurement system is not structurally implemented yet and is limited also to national authorities.
- **Norway** does not regularly measure innovation procurement expenditure but has only conducted some pilot initiatives.
- In the **UK** regular evaluation and monitoring assessments are carried out only for the activities implemented within the SBRI Programme. In 2014, an analysis of SBRI was conducted by Manchester Institute of Innovation Research (MIOIR) with the European Research Council and OMB Research.⁴⁸ Afterwards, recommendations from an independent evaluation on increasing the impact of the program was published in November 2017.⁴⁹

In the remaining 19 countries there is no measurement system to monitor expenditure of innovation procurement. In these countries measuring activities are carried out in the context of ESIF funding or are expected to be implemented in the future:

- Countries financing innovation procurements only via ESIF funding (e.g. **Spain**) typically don't have a structural monitoring system for all innovation procurements in the country but only monitor innovation procurement expenditure in the ESIF programmes as this is required by the EC.
- **In Sweden**, an annual evaluation of impacts of selected innovation procurements is being developed. Similarly, Lithuania and Portugal are in the process of developing a monitoring system for innovation procurement.

Interesting evidence collected on the implementation of monitoring and evaluation exercise concerns the methods used. In particular, various instruments are used for such a purpose, including surveys, external independent reviews, combined interim and ex-post evaluations, or one-off project-related evaluations, among others. The main approaches to conduct evaluations of innovation-related procurement initiatives seem to be surveys and qualitative methods (i.e. case studies, interviews with beneficiaries). This fact represents one of the most important limits of the evaluations and monitoring exercises, i.e. the lack of quantitative data and the need for further quantitative approaches.

No country (except for Finland and the UK, as said above) has put in place a structural system to evaluate the impacts of completed innovation procurements.

3.8 Indicator 8 – Incentives

This indicator reflects progress on using financial or personal **demand-side incentives** to encourage public procurers to undertake more innovation procurements across different countries.

The indicator "incentives" is a multi-dimensional indicator with two sub-indicators, "financial incentives" and "personal incentives". Only countries that have setup and are operating "dedicated financial and/or personal incentives" for innovation procurement are scoring above 0%.

The financial incentives indicator reflects the presence of financial incentives in the country (are these type of incentives available in the country or not), whether the incentives are available for all types of innovation procurement (as opposed to only for certain types of innovation procurements), applicable country wide (whether they are available to all procurers/procurements in the whole country as opposed to for examples only in one specific region), whether there are incentives for large scale implementation across the whole country (as opposed to only pilots), whether national top-up funding is provided for procurement cases that are eligible for EU co-financing ("National top-up funding available for EU co-financed procurements"), whether national financial incentives are provided for

⁴⁸ <https://www.gov.uk/government/publications/review-evaluation-of-the-small-business-research-initiative>

⁴⁹ <https://www.gov.uk/government/publications/leveraging-public-procurement-to-grow-the-innovation-economy-an-independent-review-of-the-small-business-research-initiative-sbri> (2017)

procurement cases that are not eligible for EU co-financing ("National funding available for non-EU co-financed procurements") and whether dedicated ESIF funding has been allocated for innovation procurements. Please note that EU (co-)financing can include all types of EU (co-)financing (e.g. ESIF, Horizon 2020, EIB).

The personal incentive sub-indicator shows the availability of personal incentives for public procurers in the country (are these type of incentives available in the country or not) and whether the incentives are available for all types of innovation procurement (as opposed to only for certain types of innovation procurements).

The table below provides the overall scores of Indicator 8.

<i>Country</i>	Financial incentives							Personal incentives			Total - Incentives	
	Financial Incentives (Presence)	For all types of innovation procurement	Applicable to all procurers country wide	Large scale implementation	National top-up funding available for EU co-financed projects	National funding available for non EU co-financed Projects	Dedicated ESIF Funds for innov. Proc.	Financial Incentives	Personal incentives (Presence)	Applicable to all procurers countrywide		Personal Incentives
<i>Austria</i>	14,28%	0%	14,28%	0%	0%	14,28%	0%	43%	50%	50%	100%	71,4%
<i>Belgium</i>	14,28%	14,28%	0%	0%	14,28%	14,28%	0%	57%	0%	0%	0%	28,6%
<i>Bulgaria</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Croatia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Cyprus</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Czech Republic</i>	14,28%	0%	0%	0%	0%	0%	14,28%	29%	0%	0%	0%	14,3%
<i>Denmark</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Estonia</i>	14,28%	14,28%	14,28%	0%	0%	14,28%	14,28%	57%	0%	0%	0%	28,6%
<i>Finland</i>	14,28%	14,28%	14,28%	14,28%	14,28%	14,28%	0%	86%	50%	50%	100%	92,8%
<i>France</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Germany</i>	0%	0%	0%	0%	0%	0%	0%	0%	50%	50%	100%	50,0%
<i>Greece</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Hungary</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Ireland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Italy</i>	14,28%	14,28%	0%	0%	0%	0%	14,28%	43%	50%	0%	50%	46,4%
<i>Latvia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Lithuania</i>	14,28%	0%	14,28%	0%	0%	0%	14,28%	43%	0%	0%	0%	21,4%

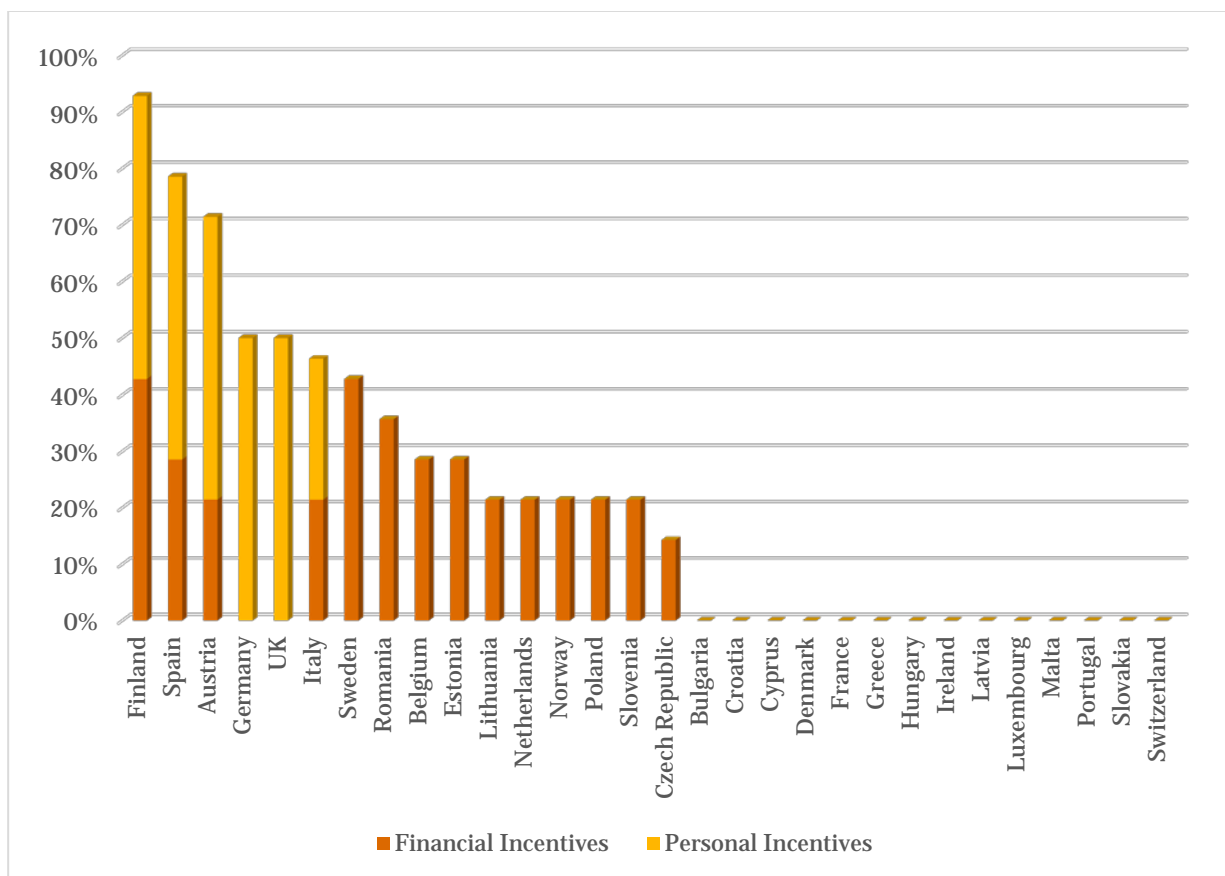
<i>Luxembourg</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Malta</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Netherlands</i>	14,28%	14,28%	0%	0%	0%	14,28%	0%	43%	0%	0%	0%	21,4%
<i>Norway</i>	14,28%	0%	14,28%	0%	0%	14,28%	0%	43%	0%	0%	0%	21,4%
<i>Poland</i>	14,28%	14,28%	0%	0%	0%	0%	14,28%	43%	0%	0%	0%	21,4%
<i>Portugal</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Romania</i>	14,28%	14,28%	14,28%	0%	0%	14,28%	14,28%	71%	0%	0%	0%	35,7%
<i>Slovakia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Slovenia</i>	14,28%	14,28%	0%	0%	0%	0%	14,28%	43%	0%	0%	0%	21,4%
<i>Spain</i>	14,28%	14,28%	0%	14,28%	0%	0%	14,28%	57%	50%	50%	100%	78,6%
<i>Sweden</i>	14,28%	14,28%	14,28%	14,28%	14,28%	14,28%	0%	86%	50%	50%	0%	42,8%
<i>Switzerland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>UK</i>	0%	0%	0%	0%	0%	0%	0%	0%	50%	50%	100%	50,0%
<i>EU average</i>								24,8%			18,3%	21,5%

Only 16 countries have dedicated incentives for innovation procurement. In this field the best performers are Finland, Spain and Austria, which are also the only countries that have adopted both types of demand-side incentives considered at a country wide scale: financial incentives for procurers to reduce the financial risk of innovation procurement and personal incentives for procurers to encourage more innovation procurement.⁵⁰ The EU Average for the indicator "Incentives" is 21,5%. This value is mainly due to two reasons.

Firstly, 14 countries have not setup any form of incentive (financial or personal) to encourage public procurers to do more innovation procurements. Secondly, in the majority of the countries that have setup incentives, financial incentives are not budgeted to mainstream innovation procurement widely and personal incentives are underused.

The ranking for the 16 countries that have incentives in place is presented below.

Figure 9 – Indicator "Incentives" overall ranking



3.8.1 Financial incentives

14 countries have set up a financial incentive system to encourage public procurers to undertake more innovation procurement.

The highest score is achieved by Finland, Sweden and Romania.

- In **Finland**, the innovation funding agency Business Finland provides grants to public authorities through their Innovative Public Procurement financing instrument. All public procurers are eligible recipients of funding. The grant covers 40-50 % of project's total costs in the preparation stage of a procurement. It may cover development, piloting and adoption of

⁵⁰ Italy has also adopted both types of demand-side incentives, however they are not applicable countrywide.

new products and services. The recipient public procurer should use the grant to source additional expertise, build collaboration, undertake market consultation, and carry out pilots or R&D work. This is to strengthen cooperation with potential providers and end users in planning and preparation of innovative public procurements. The Finnish financial incentives are available both for cases that can obtain co-financing from EU programmes (as top-up financing for Horizon 2020 and ESIF co-financed innovation procurements) and cases that cannot obtain EU co-financing.

- **Sweden** has set up financial incentives, in the form of grants, to encourage public procurers to undertake more innovation procurements. These Incentives are for all types of innovation procurement and applicable to all Swedish public procurers in all sectors and at all levels (local, regional, national). The Swedish financial incentives are available both for cases that can obtain co-financing from EU programmes (as top-up financing for Horizon 2020 and ESIF co-financed innovation procurements) and cases that cannot obtain EU co-financing. Today, there is specific Swedish VINNOVA programme called “Innovation procurement” that is designed to finance strategic investments and applications. The amount invested in innovation procurement has varied during the years, but it has accounted for approximately 1 million euro per year in average. Sweden has not pre-allocated dedicated ESIF budgets for innovation procurements but if a city/region decides to implement an innovation procurement via its ESIF budget, the VINNOVA funding can in principle top-up this ESIF funding.
- **Romania** has set up financial incentives, in the form of grants, to encourage public procurers to undertake more innovation procurements. These incentives are available for all types of innovation procurement. Romania has foreseen both national program funds and ESIF funds (grants) for innovation procurements, but the budgets foreseen are not designed to incentivize large scale implementation of innovation procurement. Romania does not provide additional national top-up funding for EU (Horizon 2020/ESIF) co-financed innovation procurements.
- A second group of countries (BE, EE, ES) set up financial incentive schemes that achieved a score of 57%. In **Belgium**, at national level there are no incentives to encourage public procurers to start more innovation procurements, while there are some at regional level (Flanders region). The Flemish PIO programme offers co-financing to any type of public procurer in Flanders for PCPs and other types of innovation procurements, however the budget of the programme is not large enough to mainstream innovation procurement widely. The PIO co-financing is available both for projects that are not eligible for EU funding and for projects that are eligible for EU funding (procurers that already receive EU funds for their innovation procurement are also still eligible for Flemish funding. In this case the PIO funding can top up the EU funding up). Belgium and Flanders have not pre-allocated dedicated ESIF budgets for innovation procurements but if a city/region decides to implement an innovation procurement via its ESIF budget, the Flemish funding can in principle top-up this ESIF funding.
- **Estonia** has not allocated any national funds for financial incentives to encourage public procurers to undertake innovation procurements that are not eligible for EU co-financing. Estonia has dedicated a limited amount of EU ESIF funds (20M EURO) for supporting a few pilot innovation procurements in specific sectors. EAS does also not provide additional national top-up funding for EU (Horizon 2020/ESIF) co-financed innovation procurements.
- The **Spanish** financial incentives scheme is not open to all types of public procurers and procurements in the country (it is only open to projects that are eligible for co-financing from the EU ESIF program as indicated in the smart specialisation priorities of Spain, not for projects that are eligible for Horizon 2020 funding and not for projects that are not eligible for ESIF funding) and focuses on specific sectors (health and security). However in the health domain they have been able to stimulate larger scale implementation of innovation procurement. For example, the Programme FID SALUD in INNOCOMPRA-FID 2014-20 that aims to systematically improve public health services portfolio through annual calls for Innovation procurement. To date, this programme has involved every regional health service (of which there are 18, including Ceuta and Melilla). It is technically co-ordinated by the Health, Social Security and Equality Ministry in order to prevent duplication and to foster synergies. To date more than 40 proposals have been independently assessed by ISCIII (Health Institute Carlos III) and 15 have been approved mobilising some EUR 62 million just for the 2015 call.

A third group of countries (AT, IT, LT, NL, NO, PL SI) achieve an overall score of 43%. Some countries (IT, NL) have not implemented countrywide financial incentive schemes while other (AT, LT, NO) implemented schemes only for certain types of innovation procurement. The financial schemes implemented in these countries are presented below:

- In **Austria**, financial support by the Ministries and financial/practical support by the PPPI Service Centre is provided in a way that is open to certain sectors, depending on concrete needs of public procurers in the respective fields. The funds available are based on national funding, however, they are not designed to foster large scale implementation of innovation procurement, they are not available for all types of innovation procurement and projects that already receive EU funds are not eligible (both for Horizon 2020 and ESIF).
- **Italy** is the second country with financial incentives schemes applicable only at regional level. The national level does not provide financial incentives that public procurers from across the country can apply for to implement more innovation procurements. National ministries implements themselves some PCP/PPI pilot actions for the four most convergence regions in Italy but this MIUR PCP/PPI Funding Program for the convergence regions does not provide financial incentives to regional authorities in those regions to implement themselves innovation procurement. Interesting regional financial initiatives are really offered to public procurers are implemented in Lombardy and Sardinia. Both regions have set up calls for interest to select innovation needs and innovation procurement actions to be implemented by public procurers under the Operational Regional Program ERDF 2014-2020. In Lombardy, the precondition for the implementation of the initiative, financed under Action I.1.b.3.1. of the ERDF 2014-2020, stemmed from the publication of a public invitation (DDUO n. 5704/2017) for the collection of innovative needs from public and accredited private hospitals.
- **Lithuania** has, through LVPA and MITA, only allocated a limited amount of EU ESIF funds for supporting a few PCP procurements. EAS does also not provide additional national top-up funding for EU (ESIF/Horizon 2020) co-financed innovation procurements.
- In the **Netherlands** there is no national or regional financial incentives programme for innovation procurement. There are some financial incentives in the sectoral High Water Protection programme, but they are not conceived for combination with EU co-financing, are not available to all types of public procurers in the country (only to those in the high water field) and are not designed to incentivize large scale implementation of innovation procurement.
- In **Norway**, the National Programme for Supplier Development was set up to accelerate innovations and development of new solutions through the strategic use of public procurement, while at the same time contributing to new market opportunities for these innovations and enhancing procurers competences about innovation procurement. It can facilitate some financial incentives for procurers a few pilot innovation procurements. Another horizontal tool that promotes the use of innovation procurement is Norway's Industrial Research and Development Programme (IRD program), a strategic support programme for industry and public sector.
- In **Poland** there are no specific separate financial support schemes for public procurers to incentivize the launch of innovation procurements, however several national operational programmes that channel ESIF funds envisage funds for innovation procurements projects. There are no national financial incentives for innovation procurements that are not eligible for EU co-financing. There is no national top-funding for for innovation procurements that are (co)financed by ESIF funds. The only financial incentives available for public procurers in Poland are ESIF funded.
- In **Slovenia** there are financial incentives co-financed by ESIF funds that are mainly used to support pilot projects but not able to mainstream innovation procurement across the country. There are no national funds for implementing financial incentives for public procurers to undertake innovation procurements that are not eligible for EU co-financing. Slovenia does not provide additional national top-up funding for EU (Horizon 2020/ESIF) co-financed innovation procurements.

The country with the less developed financial incentive scheme to encourage public procurers to implement innovation procurement is Czech Republic.

- At the national level the **Czech Republic** has not allocated any national funds for financial incentives to encourage public procurers to undertake innovation procurements that are not eligible for EU co-financing. There is financial support provided by the Pre-commercial Public Procurement Programme, i.e. an EU-funded ESIF funded programme within the Operational Programme Enterprise and Innovation for Competitiveness (2014-2020). It allows to provide grants to public authorities that provide co-financing for a set of pilot PCP projects. However there are no additional national funds that top up the EU funding to cover the part of the PCP procurement costs that are not co-financed by ESIF. Only the city of Prague is currently using these ESIF funded incentives.

3.8.2 Personal incentives

5 countries (AT, ES, FI, IT, UK) set up personal incentive schemes to encourage public procurers to undertake more innovation procurement.

This kind of non-financial support can take different forms.

- In Austria, Spain and Germany personal incentives are prizes aimed at awarding top performances among public-sector contracting authorities in the procurement of innovative products and the design of innovative procurement processes.
- In Italy, a personal incentive scheme is reported in Lombardy, where there are bonuses for public servants related to achieving the 3% regional target for innovation procurement, which is also included in the career objectives.
- In the UK and Finland, non-personal incentives take the form of KPIs agreed between the government/ministries and procurers in the country, which set cost reduction and quality improvement levels/targets for public procurements that are implemented by authorities at all levels (e.g. CO₂ reduction). These KPIs seriously drive forward innovation procurement in the UK and Finland.

3.9 Indicator 9 – Capacity building and assistance measures

Lack of know-how and experience on innovation procurement is also a significant barrier to innovation procurement. Several countries around Europe have therefore set up measures to build up the know-how of public procurers on innovation procurement and/or to provide tailored case-by-case assistance to public procurers to implement specific innovation procurement projects. To make these measures easily accessible to public procurers in a one-stop-shop, these activities are typically coordinated by a national competence centre on innovation procurement. This indicator tracks progress on the capacity building and assistance measures for innovation procurement across different countries.

The table below provides the overall scores of different countries for Indicator "Capacity building and assistance measures" based on the 9 sub-indicators listed in the columns of the table.

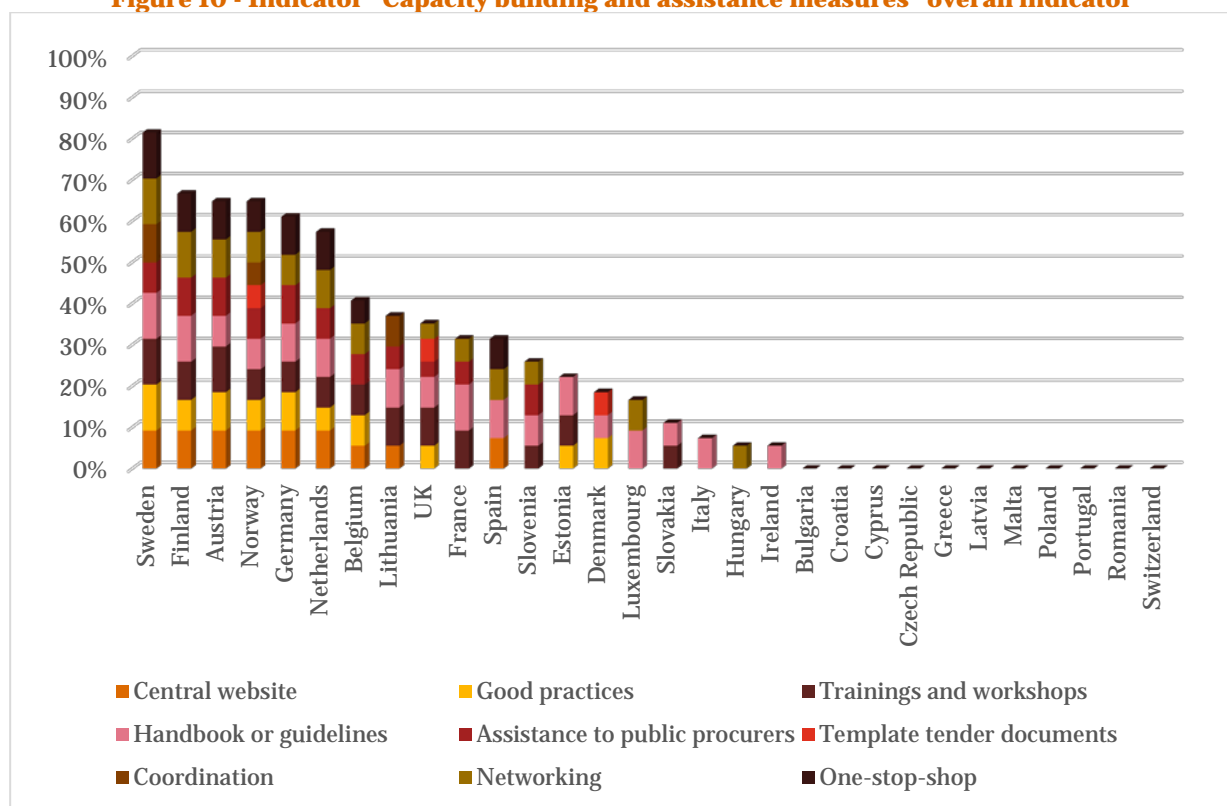
Country	Central website	Good practices	Trainings and workshops	Handbook or guidelines	Assistance to public procurers	Template tender documents	Coordination	Networking	One-stop-shop	Total score Capacity Building
<i>Austria</i>	83%	83%	100%	67%	83%	0%	0%	83%	83%	65%
<i>Belgium</i>	50%	67%	67%	0%	67%	0%	0%	67%	50%	41%
<i>Bulgaria</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Croatia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Cyprus</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Czech Republic</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Denmark</i>	0%	67%	0%	50%	0%	50%	0%	0%	0%	19%
<i>Estonia</i>	0%	50%	67%	83%	0%	0%	0%	0%	0%	22%
<i>Finland</i>	83%	67%	83%	100%	83%	0%	0%	100%	83%	67%
<i>France</i>	0%	0%	83%	100%	50%	0%	0%	50%	0%	31%
<i>Germany</i>	83%	83%	67%	83%	83%	0%	0%	67%	83%	61%
<i>Greece</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Hungary</i>	0%	0%	0%	0%	0%	0%	0%	50%	0%	6%
<i>Ireland</i>	0%	0%	0%	50%	0%	0%	0%	0%	0%	6%
<i>Italy</i>	0%	0%	0%	67%	0%	0%	0%	0%	0%	7%
<i>Latvia</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Lithuania</i>	50%	0%	83%	83%	50%	0%	67%	0%	0%	37%
<i>Luxembourg</i>	0%	0%	0%	83%	0%	0%	0%	67%	0%	17%
<i>Malta</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Netherlands</i>	83%	50%	67%	83%	67%	0%	0%	83%	83%	57%

<i>Country</i>	Central website	Good practices	Trainings and workshops	Handbook or guidelines	Assistance to public procurers	Template tender documents	Coordination	Networking	One-stop-shop	Total score Capacity Building
<i>Norway</i>	83%	67%	67%	67%	67%	50%	50%	67%	67%	65%
<i>Poland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Portugal</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Romania</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>Slovakia</i>	0%	0%	50%	50%	0%	0%	0%	0%	0%	11%
<i>Slovenia</i>	0%	0%	50%	67%	67%	0%	0%	67%	0%	28%
<i>Spain</i>	67%	0%	0%	83%	0%	0%	0%	67%	67%	31%
<i>Sweden</i>	83%	100%	100%	100%	67%	0%	83%	100%	100%	81%
<i>Switzerland</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>UK</i>	0%	50%	83%	67%	33%	50%	0%	33%	0%	35%
<i>EU average</i>	22,2%	22,8%	32,2%	42,8%	23,9%	5,0%	6,7%	30,0%	20,5%	22,9%

Although 19 countries (AT, BE, DE, DK, EE, ES, FI, FR, HU, IE, IT, LT, LU, NL, NO, SE, SI, SK, UK) foresee dedicated capacity building and assistance measures for innovation procurement, these activities are usually only partially developed: in many countries there is still a clear lack of basic capacity building measures, such as a central website on innovation procurement and a one-stop shop / national competence center for innovation procurement. Available training and assistance initiatives (trainings, networking between procurers, lists of good practice cases, handbooks) are typically not designed and resourced to mainstream innovation procurement at large scale. The number of countries that provide advanced types of assistance is still very low: case specific full-scale practical implementation and legal assistance, template tender documents and coordination support for innovation procurements are scarce.

The average score for this Indicator is 22,9%. In this field, the top performers on this indicator are Sweden (81%), Finland (67%), Austria (65%), Norway (65%), Germany (61%) and the Netherlands (57%).

Figure 10 - Indicator "Capacity building and assistance measures" overall indicator



The table below provides an overview of the capacity-building activities and assistance measures implemented in each country.

Activity	Countries
Central website	AT, BE, DE, ES, FI, LT, NL, NO, SE (9)
Good practices	AT, BE, DE, DK, EE, FI, NL, NO, SE, UK (10)
Trainings and workshops	AT, BE, DE, EE, FI, FR, LT, NL, NO, SE, SI, SK, UK (13)

Activity	Countries
Handbooks and guidelines ⁵¹	AT, DE, DK, EE, ES, FI, FR, IE, IT, LT, LU, NL, NO, SK, SI, SE, UK (17)
Assistance to public procurers	AT, BE, DE, FI, FR, LT, NL, NO, SI, SE, UK (11)
Template tender documents	DK, NO, UK (3)
Coordination / pre-approval	LT, NO, SE (3)
Networking of procurers	AT, BE, DE, ES, FI, FR, HU, LU, NL, NO, SE, SI, UK (13)
One-stop-shop/competence centre	AT, BE, DE, ES, FI, NL, NO, SE (8)

17 countries developed **handbooks and guidelines** on innovation procurement for public procurers, which clearly appears to be the most accessible capacity building measure. 13 countries also provide **trainings and workshops** on innovation procurement. Other common capacity-building activities implemented include **networking** activities between public procurers (in 13 countries) and **assistance activities to prepare and implement innovation procurements** (in 11 countries). Conversely, only a very limited **tender template documents** for innovation procurements for public procurers and **coordination activities** to pre-approve and/or coordinate innovation procurements across the country are offered (in 3 countries in both cases). Surprisingly, a central website for innovation procurement is only available in 9 countries and an operational one-stop-shop/competence center for procurers is also only available so far in 8 countries, although 5 other countries are currently in the process of setting it up (EE, EL, IE, IT, PT).

3.9.1 Central website

9 countries (AT, BE, DE, ES, FI, LT, NL, NO, SE) offer countrywide free of charge information on **innovation procurement on a central website**, with 8 of those covering all aspects of innovation procurement (AT, BE, DE, ES, FI, NL, NO, SE), and 5 providing information about initiatives in support of innovation procurement at EU level (AT, BE, DE, ES, SE). In 5 of the 9 countries the information provided also takes into consideration how to mainstream innovation procurement at a large scale (AT, FI, NL, NO, SE). An overview of the evidence collected is provided in the table below. The EU average value for this sub-indicator "central website" is 22,2%.

	AT	BE	DE	ES	FI	LT	NL	NO	SE
Central website explains why the policy framework encourages public procurers and gives an overview of policy initiatives to mainstream innovation procurement	√	√	√	√	√	√	√	√	√
The site provides national and EU level references/initiatives that support innovation procurement			√						
Information is offered free of charge by the site	√	√	√	√	√	√	√	√	√
Information on the site covers all types of innovation procurement (i.e. covering R&D procurement, including PCP, and PPI)	√	√	√	√	√		√	√	√
Information on the site is applicable to all public procurers in the country	√		√	√	√	√	√	√	√
Information on the site addresses how to mainstream innovation procurement at a large scale	√				√		√	√	√
Total score	83%	50%	83%	67%	83%	50%	83%	83%	83%

⁵¹ In Latvia, the Ministry of Finance is currently drafting national guidelines on the innovation partnership procedure (which will be published in the second half of 2018).

Interesting examples of country level activities are:

- The **Austrian** PPPI website and online platform centralises key information on the legal framework, the political context (action plan), case examples, financial incentives and available assistance for procurers on innovation procurement. However, information about key European initiatives on innovation procurement that Austrian procurers can benefit from is not up-to-date or missing. On the online platform innovation procurement stakeholders (public authorities and procurers, research institutions, enterprises, citizens, etc.) are free to interact, thus ensuring a greater match between the public needs and the market supply. In other words, the platform is designed to on the one hand allow procurers to specify a challenge, and on the other allow suppliers to present their innovative solutions.
- In **Belgium**, there is only a website in the region of the Flanders and the website is primarily limited to information about what the PIO programme is doing in the Flanders. Information about European initiatives in support of innovation procurement that Flemish procurers can benefit from is missing.
- In **Lithuania**, the Ministry of Economy provides information especially on PCPs on its website, so not all aspects of innovation procurement are covered. Information focuses also on the ESIF funding opportunities for procurers. Information about the wider policy support for innovation procurement, and on how Lithuanian procurers can benefit from key European initiatives on innovation procurement is still missing.
- In the **Netherlands** the Competence Centre for Public Procurement PIANOo also has a well-structured central website, which shares information about national policy initiatives, trainings/seminars and case examples on innovation procurement. There is a lack of information about available assistance and financial incentives for procurers (as there are no national initiatives on this and European funded ones are not visibly promoted).

3.9.2 Good practices

In terms of dissemination and exchange of good practices, 10 countries (AT, BE, DE, DK, EE, FI, NL, NO, SE, UK) publish good practices examples on a national website, however only one country (SE) has obtained a full 100% score as it covers all 6 below aspects related to how good practice examples are made available to procurers. In most countries only national case examples are promoted and examples from other countries (including European funded good practice examples) are missing. The EU average for the “Good practices” sub-indicator is 22,8%.

	AT	BE	DE	DK	EE	FI	NL	NO	SE	UK
Publication of good practice examples	√	√	√	√	√	√	√	√	√	√
Publication includes besides national also international / EU funded good practice examples		√	√						√	
Publication of good practice examples is offered free of charge	√	√	√	√	√	√	√	√	√	√
Publication of good practice examples covers all types of innovation procurement	√	√	√	√				√	√	
Good practice examples provided are applicable to all public procurers in the country	√		√	√	√	√	√	√	√	√
Good practice examples are included that demonstrate how to mainstream innovation procurement at large scale	√					√			√	
Total score	83%	67%	83%	67%	50%	67%	50%	67%	100%	50%

Interesting examples regarding country activities in the dissemination of good practices are presented below:

- In **Belgium**, there is only a website with case examples in the region of the Flanders, which is primarily focused on cases funded by the new PIO program (it lacks references to Belgian cases that were not funded by the PIO program and case examples from other countries). Both for Belgium and the **Netherlands**, apart from one case in which a local procurer was involved, there are also no EU funded case examples listed.
- **Finland** started publishing case examples recently. However, it lacks examples of innovation procurements that procure R&D such as PCPs.
- **Sweden** regularly publishes new national case examples. The examples present through in-depth analysis and interviews how the procurement was prepared, implemented, what the challenges were and which results were achieved for both procurers and companies. The examples cover all types of procurements (including PCP and PPI procurements) with both references to national and EU funded cases.
- In the **UK** the Department for Business, Innovation and Skills (BIS) has published a series of good practices examples of Forward Commitment Procurements that clearly illustrate the benefits to procurers. Despite that, there is a lack of PCP good practice examples and references to examples from other countries including EU funded case examples.

3.9.3 Trainings and workshops

13 countries (AT, BE, DE, EE, FI, FR, LT, NL, NO, SE, SI, SK, UK) are currently implementing dedicated training and workshop activities to increase the know-how of public procurers on innovation procurement practices in a systematic, regular way. Out of these, however, only Austria and Sweden obtained a full 100% score based on the following features of the trainings. The EU average for the "trainings and workshops" sub-indicator is 32,2%, which is mainly due to the fact that in 17 countries there are no such trainings/workshops yet. However, some of these countries (e.g. BG, CY, HR, LV, PL, PT) address innovation procurement in the context of wider trainings on public procurement, although not in a systematic way.

	AT	BE	DE	EE	FI	FR	LT	NL	NO	SE	SI	SK	UK
Trainings/workshops are offered by the government	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Trainings/workshops offered cover not only national aspects but also the EU and international framework	✓	✓				✓	✓	✓		✓	✓		✓
Trainings/workshops are offered free of charge	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Trainings/workshops cover all types and aspects of innovation procurement	✓	✓	✓		✓	✓	✓		✓	✓		✓	
Trainings/workshops are available/applicable to all public procurers in the country	✓		✓	✓	✓	✓	✓	✓	✓	✓			✓
Training/workshops address how to implement innovation procurement at large scale	✓				✓					✓			✓
Total score	100 %	67%	67%	50%	83%	83%	83%	67%	67%	100 %	50%	50%	83%

The notable examples of Austria and Sweden, the only countries to reach a full score under this sub-indicator, are described in the following paragraphs:

- In **Austria**, the national competence center on innovation procurement (PPPI ServiceStelle), in cooperation with the Federal Academy of Public Administration, carries out training activities that deliver a **certification of achieved innovation procurement competence** at basic and advanced levels.
- In **Sweden**, the national agency for public procurement organises a wide range of regular in-depth **trainings and workshops** on different aspects related to innovation procurement. Networks and associations of other Swedish procurers with similar needs are also invited to participate in the trainings and workshops.

3.9.4 Handbook and guidelines

Handbooks and guidelines on innovation procurement have been published in 17 countries (AT, DE, DK, EE, ES, FI, FR, IE, IT, LU, LT, NL, NO, SE, SI, SK, UK) in Europe. In 3 countries (FI, FR, SE) these guidelines are covering all types and aspects of innovation procurement, highlighting also the EU and international framework for innovation procurement, are offered free of charge, are addressed and applicable to all public procurers in the country and conceived to mainstream innovation procurement at large scale, thus reporting a full score. The EU average value for this sub-indicator is 42,8%.

	A T	D E	D K	E E	E S	F I	F R	I E	I T	L U	L T	N L	N O	S E	S I	S K	U K
Official handbook or guideline is available	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Handbook/guidelines gives also guidance about relevant EU/international framework for innovation procurement		√		√	√	√	√		√	√	√			√	√		√
Handbook/guidelines is offered free of charge	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Handbook/guidelines covers all aspects and types of innovation procurement	√	√		√		√	√			√	√	√	√	√			
Handbook/guidelines is available and applicable to all public procurers in the country	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Handbook/guidelines addresses how to implement innovation procurement at large scale					√	√	√					√		√			
Total score	67%	83%	50%	83%	83%	100%	100%	50%	67%	83%	83%	83%	67%	100%	67%	50%	67%

Examples of guidelines are:

- In **Sweden**, the National Authority for Public Procurement published guidelines on innovation procurement. The guidelines refer to the Swedish strategy for innovation procurement, the legal framework, the definitions, provide examples and implementation advice on creating purchasing groups to achieve critical mass levels. Vinnova published a similar guide specifically for PCPs.
- There are also countries that published guidelines that address specific areas. For instance, **Italy** published a guide only for PCP. In **Slovenia**, the Ministry of Public Administration, in cooperation with relevant public and private stakeholders, prepared guidelines on innovative public procurement in the field of construction, engineering services and ICT.

3.9.5 Assistance to public procurers

11 countries (AT, BE, DE, FI, FR, LT, NL, NO, SE, SI, UK) provide dedicated technical and legal assistance to public procurers in a regular, structured manner to prepare and implement innovation procurement. The strongest performers in terms of assistance for procurers are Austria, Germany and Finland, each scoring 83%, considerably above the European average (23,9%). This result is influenced by the fact that 19 countries do not currently envisage any form of assistance aimed at public procurers.

	AT	BE	DE	FI	FR	LT	NL	NO	SE	SI	UK
Government offers case specific assistance	√	√	√	√	√	√	√	√	√	√	√
Assistance is also provided to obtain EU financing		√	√		√		√				
Assistance is offered free of charge	√	√	√	√	√	√	√	√	√	√	√
Assistance is available for all types and aspects of innovation procurement	√	√	√	√				√		√	
Assistance is available/applicable to all public procurers in the country	√		√	√		√	√	√	√	√	
Assistance is available to mainstream innovation procurements at large scale across the country	√			√					√		
Total score	83%	67%	83%	83%	50%	50%	67%	67%	67%	67%	33%

An example of assistance is:

- In **Austria**, the PPPI Service Centre provides assistance to public procurers both on a general basis (e.g. clarifications on the legal framework, or suggestions and advice on the tools that can be used) and on a case-by-case basis (tailor-made workshops, individual support in setting up specific innovation procurement projects/project development, providing support via the PPPI online) and there is no limitation in terms of days of assistance provided.

3.9.6 Template tender documents

Only 3 countries (DK, NO, UK) provide template tender documents for innovation procurement to public procurers. However, all 3 countries obtained only a 50% score on the “template tender documents” sub-indicator, as outlined in the following table. Unsurprisingly, the European average was particularly low, at only 5%.

	DK	NO	UK
Government offers template tender document to undertake innovation procurement	√	√	√
Tender template documents also refer to the relevant EU and international frameworks			√
Templates are offered free of charge	√	√	√
Templates are available for all types of innovation procurement			
Templates are applicable to all public procurers in the country	√	√	
Templates address how to implement public procurement at large scale			
Total score	50%	50%	50%

Evidence regarding template tender documents includes:

- In **Denmark**, the Market Development Fund of the Danish Business Authority has published templates for PCPs
- In **Norway**, the Difi provides within the “National Programme for Supplier Development” detailed instructions and templates to perform innovation procurement (including PCPs). Instructions include the use of practical examples from the over 150 innovation procurements procedures implemented in the country.
- In **the UK**, the Crown commercial services provides template tender documents that encourage innovation in public procurement. In the framework of the SBRI, Innovate UK provides also templates of standard contracts for these type of R&D procurements to contacting authorities.

3.9.7 Coordination of innovation procurements

This sub-indicator reflects on whether the government or another public institution (e.g. innovation procurement competence centre, Public Procurement Office) pre-approves innovation procurement procedures and/or coordinates the implementation of innovation procurements in the country. Only 3 countries (LT, NO, SE) offer either pre-approval, or coordination or both types of support to public procurers. As a consequence, the EU average value for the sub-indicator "innovation procurements" is a mere 6,7%.

	LT	NO	SE
Government (itself or through an officially appointed entity e.g. competence center) pre-approves and/or coordinates the implementation of innovation procurements nationally/ regionally	✓	✓	✓
Government pre-approves and/or coordinates the implementation of innovation procurements implemented with EU financing	✓		✓
Pre-approval and/or coordination is offered free of charge to procurers	✓	✓	✓
Pre-approval and/or coordination is applicable to all types of innovation procurement			✓
Pre-approval and/or coordination is applicable to all public procurers in the country	✓	✓	✓
Pre-approval and/or coordination for innovation procurements is implemented at large scale			
Total score	67%	50%	83%

For instance:

- In **Lithuania**, the national competence center for innovation procurement MITA pre-approves the procurement (approval of the compliance of the tender documents with the national Lithuanian regulation on PCP) and coordinates the implementation of innovation procurements under the national programme, but this is happening so far only at small scale and not for all types of innovation procurements (only PCPs).
- In **Norway**, the national supplier development programme, supported by Difi, coordinates the creation of buyers' groups of small procurers (typically local authorities) and the preparation of joint procurements to create enough market pull for suppliers to bring innovative solutions to the market. The national suppliers development programme coordinates the identification and specification of joint needs and helps those buyers groups organise open market consultations, promotes the calls for tenders based on template tender documents for PCPs and other types of innovation procurements provided by Difi. However, this is happening so far only on a small scale.
- In **Sweden**, the national procurement agency coordinates the creation of buyers' groups of small local authorities, helps them implement open market consultations and implement joint procurements. The national energy agency also coordinates joint procurements between groups of small local public procurers to create market pull. The agency collects needs of the local authorities, defines tender specifications, helps those procurers to organise preliminary market consultations, tests and certifies resulting solutions against achieved energy efficiency levels/labels and issues framework contracts from which local authorities can buy. However this type of coordination is not done yet in other sectors.

3.9.8 Networking between procurers

13 countries (AT, BE, DE, ES, FI, FR, HU, LU, NL, NO, SE, SI, UK) have put in place networking activities for public procurers – such as events, platforms or meetings – to facilitate experience sharing on innovation procurement between procurers. Only 5 countries (BE, FI, NL, NO, SE) organise networking activities with the involvement not only of national but also foreign procurers, thus giving a European or international dimension to the networking. The European average value for the sub-indicator "networking between procurers" is 30%.

	AT	BE	DE	ES	FI	FR	HU	LU	NL	NO	SE	SI	UK
Government facilitates experience sharing and networking between procurers in other cities/regions, sectors, countries	√	√	√	√	√	√	√	√	√	√	√	√	√
Connection with relevant EU / international networking initiatives		√			√				√	√	√		
Networking is offered free of charge to procurers	√	√	√	√	√	√	√	√	√	√	√	√	√
Networking covers all types of innovation procurement	√	√	√	√	√	√	√	√	√	√	√	√	
Networking is available to all public procurers in the country	√		√		√			√	√		√	√	
Networking is addressing how to implement innovation procurements at large scale	√			√	√						√		
Total score	83%	67%	67%	67%	100%	50%	50%	67%	83%	67%	100%	67%	33%

Networking activities are usually organised by the competence centres on innovation procurement, as in Austria, Belgium, Finland, Germany, the Netherlands, Spain and Sweden, usually in the form of events, conferences and seminars.

There are also countries and regions that established more structured ways of networking procurers across borders. For example:

- At national level, Austria, Finland, Sweden network individual procurers with national purchasing bodies to explore opportunities to achieve large scale multiplier effects with innovation procurements.
- In 2011 the Nordic Ministers of Industry launched together a so-called “Nordic lighthouse initiative” in the healthcare domain to strengthen collaboration between Denmark, Finland, Iceland, Norway and Sweden on innovation procurement. Nordic innovation and the national competence centers on innovation procurement in those countries organise from time to time meetings with procurers from different Nordic countries to discuss potential coordinated procurement possibilities.
- In Germany, KOINNO organises networking between national procurers. Under the impulse of ZENIT (the part of the Germany competence center that works on the international dimension) the region North Rhine-Westphalia signed a cooperation agreement with the Netherlands and the Flemish region in Belgium to network public procurers of their different countries to stimulate cross-border innovation procurements. As this does not concern all procurers in Germany, the score does not exceed 67%.

3.9.9 One-stop-shop and competence centers

8 countries (AT, BE, DE, ES, FI, NL, NO, SE) have a one-stop-shop where public procurers can access all capacity building and assistance measures for innovation procurement. Typically this one-stop-shop is provided by the national competence center on innovation procurement (AT, DE, ES, FI, NL, SE). In Belgium, the one-stop-shop exists for the moment only in the Flanders (the national competence center on innovation procurement is under construction). Based on the various criteria presented below for this sub-indicator, Sweden achieved a full 100% score, while the European average reached 20,5%.

	AT	BE	DE	ES	FI	NL	NO	SE
Government offers a one-stop-shop for public procurers to the above type capacity building and/or assistance measures	✓	✓	✓	✓	✓	✓	✓	✓
The one-stop-shop is connected not only to the relevant national but also the relevant EU / international initiatives	✓		✓	✓		✓		✓
The one-stop-shop is offered free of charge to public procurers	✓	✓	✓	✓	✓	✓	✓	✓
The one-stop-shop covers all types and aspects of innovation procurement	✓	✓	✓	✓	✓	✓	✓	✓
The one-stop-shop is available/applicable to all public procurers in the country	✓		✓		✓	✓	✓	✓
The one-stop-shop offers support to mainstream innovation procurement at large scale across the whole country					✓			✓
Total score	83%	50%	83%	67%	83%	83%	67%	100%

Examples of one-stop-shops are:

- The PPPI Service Centre in **Austria** has created a working group on innovation procurement with a national network of competence centres and entities which have different thematic or sectoral focuses (the Austrian Research Promotion Agency – FFG – as general competence centre for PCPs; the Austria Wirtschaftsservice – AWS – as general competence centre for PPIs; the Austrian Association for Transport & Infrastructure – GVS – as sectoral competence centre for Mobility; the Federal Real Estate – Bundesimmobiliengesellschaft – BIG – as sectoral competence centre in Building Construction, and the Austrian Energy Agency, as sectoral competence centre for Energy).
- **Finland** has recently set up a national Competence Center for Sustainable and Innovative Public Procurement (KEINO), which has started its operations in April 2018. KEINO is a network-based consortium, whose founding members responsible for the operation and co-development are Motiva Ltd, the Association of Finnish Local and Regional Authorities, VTT Technical Research Centre of Finland Ltd, The Finnish Funding Agency for Innovation – Business Finland, the Finnish Environment Institute SYKE, Hansel Ltd, KL-Kuntahankinnat Ltd and the Finnish Innovation Fund Sitra. The Ministry of Economic Affairs and Employment will grant funding for the centre's founding and operations for three years, for an estimated total of EUR 6 million.
- In **Spain**, a structure of inter-connected centers is acting as a competence centre for innovation procurement: the structure is led by MINECO, with a specialized Deputy Directorate General for fostering innovation and supported by two national specialized nodes, namely: (i) Node for health: the Ministry for Health, Social Security and Equality; (ii) Node for dual technologies: the INTA – National Institute for Aerospace Technologies, depending from the Ministry of Defence. The network provides assistance to all public procurers at national level. At local level, MEIC also supports capacity building for municipalities through the network INNPULSO. In addition, Health Ministry has a specialized network for attending IP proposals from the 18 regional health services.

Some of the above competence centers participate also in the EU-funded project “*Procure2Innovate - European network of competence centres for innovation procurement*” that started in January 2018 to set a collaboration and interchange of best practices. The project is carried out between a group of 5 countries that are reinforcing existing national competence centers (AT, DE, ES, NL, SE) and 5 countries that are creating a national competence center (EE, EL, IE, IT, PT). In July 2018, MITA was appointed by Lithuania as the entity that will setup the national competence center for innovation procurement and MITA has in the meantime also joined Procure2Innovate.

3.10 Indicator 10 – Innovation friendly public procurement market

This indicator reflects to what extent the public procurement market of each country encourages the implementation of innovation procurement on a wide scale and results from the combination of two sub-indicators: (i) the use of specific techniques to foster innovation in public procurement and (ii) the openness of the national procurement market to innovations from across the EU single market.

The score for each sub-indicator were calculated based on the EU Single Market Scoreboard indicators.⁵² The most recent 2017 data was used whenever available, otherwise data from 2016 or earlier was used.

The following table presents the scores for the two sub-indicators and the aggregate scores for the indicator “Innovation friendly public procurement market”, based on the evidence collected so far. Belgium, Ireland and France – all 3 with scores above 70% - are the strongest overall performers, while the EU average for the indicator does not exceed 52%.

	Total Sub-Indicator I (Use of specific techniques to foster innovation in public procurement)	Total Sub- Indicator II (Openness of the national procurement market to innovations from across the EU single market)	Aggregate Indicator 10
<i>Austria</i>	46%	60%	53%
<i>Belgium</i>	86%	60%	73%
<i>Bulgaria</i>	23%	68%	46%
<i>Croatia</i>	23%	72%	47%
<i>Cyprus</i>	16%	46%	31%
<i>Czech Republic</i>	24%	63%	44%
<i>Denmark</i>	36%	73%	55%
<i>Estonia</i>	37%	78%	58%
<i>Finland</i>	61%	73%	67%
<i>France</i>	80%	64%	72%
<i>Germany</i>	29%	58%	44%
<i>Greece</i>	20%	57%	38%
<i>Hungary</i>	50%	71%	60%
<i>Ireland</i>	67%	78%	72%
<i>Italy</i>	43%	56%	50%
<i>Latvia</i>	26%	71%	49%
<i>Lithuania</i>	18%	78%	48%
<i>Luxembourg</i>	41%	62%	51%
<i>Malta</i>	16%	48%	32%
<i>Netherlands</i>	42%	74%	58%

⁵² http://ec.europa.eu/internal_market/scoreboard/performance_per_policy_area/public_procurement/index_en.htm

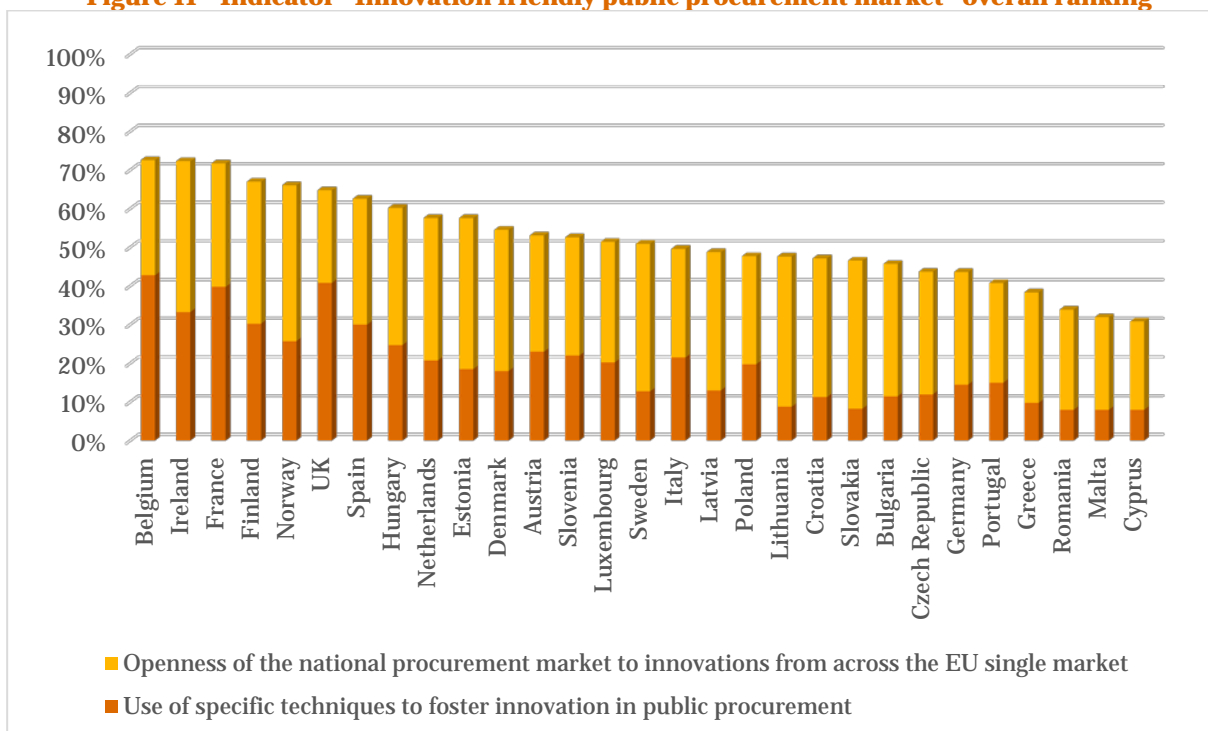
Norway	52%	81%	66%
Poland	40%	56%	48%
Portugal	30%	51%	41%
Romania	16%	52%	34%
Slovakia	17%	77%	47%
Slovenia	44%	61%	53%
Spain	60%	65%	63%
Sweden	26%	76%	51%
Switzerland*	n/a	n/a	n/a
UK	82%	48%	65%
EU average	38%	65%	52%

* EU Single Market Scoreboard data not available for Switzerland.

At the present stage, the analysis for sub-indicator I does not include information on “frequency of open preliminary market consultations” and the “frequency of allowing the submission of variant offers”. This information will be added upon completion of the parallel quantitative analysis of the study, expected in 2019.

The ranking is presented in the graph below.

Figure 11 – Indicator “Innovation friendly public procurement market” overall ranking



3.10.1 Sub-indicator I - Use of specific techniques to foster innovation in public procurement

The EU average for sub-indicator I is 38%. This relatively low average is due to the limited use of the value for money award criterion, and of the low use of an IPR default regime that fosters innovation by leaving IPR ownership to the suppliers and assigning usage rights to the public procurers.

The top performing countries on sub-indicator I are Belgium, France and the UK, which score around 80%, which is approximately two times the European average (41%).

	IPR default regime	Value for money award criteria	Total sub-indicator I
Austria	25%	67%	46%
Belgium	100%	71%	86%
Bulgaria	25%	21%	23%
Croatia	25%	20%	23%
Cyprus	25%	7%	16%
Czech Republic	25%	23%	24%
Denmark	25%	47%	36%
Estonia	50%	24%	37%
Finland	75%	46%	61%
France	75%	84%	80%
Germany	25%	33%	29%
Greece	25%	14%	20%
Hungary	50%	49%	50%
Ireland	50%	83%	67%
Italy	25%	61%	43%
Latvia	25%	27%	26%
Lithuania	25%	10%	18%
Luxembourg	50%	31%	41%
Malta	25%	7%	16%
Netherlands	0%	83%	42%
Norway	25%	78%	52%
Poland	25%	54%	40%
Portugal	25%	35%	30%
Romania	25%	7%	16%
Slovakia	25%	8%	17%
Slovenia	50%	38%	44%
Spain	50%	70%	60%
Sweden	25%	26%	26%
Switzerland	75%	n/a	n/a
UK	75%	88%	82%
Average	38%	42%	41%

* EU Single Market Scoreboard data not available for Switzerland.

IPR default regime

11 countries (BE, CH, EE, ES, FI, FR, HU, IE, LU, SI, UK) are promoting a default IPR allocation regime that aims to balance the need to obtain the best value for money for the public procurer, while

promoting innovation. This is achieved by leaving IPR ownership rights to suppliers and at the same time granting usage rights to public procurers.

The EU average for sub-indicator "IPR default regime" is 38%. This score is mainly due to the fact that 19 countries have not adopted such a default IPR allocation regime yet: they typically have not defined any IPR default allocation regime in public procurement and are silent about the issue of IPR allocation in general. As a result, European countries are still quite far from the situation in Europe's other major trading partners (US, Canada, Australia, Japan, Russia etc.), which already have such a default IPR regime in their public procurement legislation (which would correspond to a score of 100%).

Regarding the allocation of IPRs in the public procurement framework, the different countries can be clustered in a number of groups.

Features of the IPR regime	Country allocation and score
IPR default regime that leaves IPR ownership with suppliers and usage rights with public procurers in public procurement law	BE (100% score), ES (50% score)
IPR default regime that leaves IPR ownership with suppliers and usage rights with public procurers in general terms and conditions for government contracts	CH, FI, FR, UK (75%)
IPR default regime that leaves IPR ownership with suppliers and usage rights with public procurers in official guidelines	EE, HU, IE, LU, SI (50%)
No IPR default regime in public procurement law, guidelines of general terms and conditions for government contracts	AT, CY, CZ, DE, DK, EL, HR, IT, LT, LV, MT, NO, PL, PT, RO, SE, SK (25%)
IPR default regime that keeps all IPR rights with the public procurer	NL (0%)

In total, 11 countries define in their national public procurement system a default IPR regime that allocates ownership rights to the contractors and usage rights to the public procurer:

- 2 countries (BE, ES) define it **in their national public procurement law**. The default IPR allocation regime applies automatically unless otherwise specified in the tender documents / contract. In Belgium, the law assigns both the default rights for the procurer (usage rights) and for the suppliers (ownership rights). In Spain, there is only a default regime for the rights for the procurer (usage rights), thus scoring only half the score (50%) on this sub-indicator. As large procurers have announced to switch to an approach that leaves IPR ownership with suppliers, a discussion has started about updating also the general terms and conditions.
- 4 countries (CH, FI, FR, UK) define it **in general terms and conditions for government contracts**. This default IPR allocation regime applies automatically when the general terms and conditions for government contracts are referred to in the tender documents / contract.
- 5 countries (EE, HU, IE, LU, SI) define this **in national guidelines for public procurement or innovation procurement specifically**. The guidelines recommend public procurers in those countries to apply this type of IPR allocation regime in their tender documents / contract.

In the Netherlands, the public procurement law does not define a default IPR allocation regime, but the general terms and conditions for central government contracts define that all IPR rights remain with the public procurer unless otherwise specified in the tender documents.

In the remaining 18 countries, the national public procurement system (the public procurement law, guidelines and general terms and conditions for government contracts) does not define a default IPR allocation regime. In most of those countries, the public procurement system is silent about the issue of IPR allocation in public procurement. The responsibility to allocate IPRs in public procurements in a way that stimulates innovation and is compliant with applicable IPR/copyright law is left with the public procurer himself. As many public procurers are not well-informed and skilled in IPR issues, this approach is however prone to errors and disputes between public procurers and suppliers.

An interesting good practice example is:

- In **Belgium**, national legislation on public procurement define that by default IPR ownership remains with the suppliers in public procurements and the public procurer obtains usage rights, except in exceptional duly justified cases where the public procurer may deviate from this default regime. The exceptional cases are defined in the law as those cases where the supplier should not be allowed to commercialise the results of the public procurement (e.g. because of confidentiality reasons, for instance if the public procurement concerned an internal HR evaluation) or the supplier would not be able to commercialise the results of the public procurement in any case (e.g. because the public procurement concerned the development of a logo/emblem that is characteristic/unique for the public procurer). To promote the default IPR allocation regime, the Belgian government has also issued guidelines that explain how to implement it in practice.

Use of value for money criteria

As reported in the table above, the EU average for the use of value for money as award criterion in public procurements published on TED is 42%. This is below the "sufficient" level of 80% as defined in the EU Single Market Scoreboard. The best performing countries are UK (88%), France (84%), Ireland (83%) and Netherlands (83%). These are also the only countries that perform above the sufficient level. All other countries still have to make efforts to increase the use of value for money award criteria instead of awarding public procurement contracts based on lowest price considerations only.

An interesting good practice example is:

- In the UK, the Crown Commercial Service published in May 2016 a "Model Service Contract Guide".⁵³ A chapter of this guide is dedicated to ensure value for money during the public procurement process, providing a "pricing mechanism toolkit" aimed at guaranteeing that maximum value is extracted from public procurements under the contractual arrangements. Similarly, in France, the Practical Guide to Innovative Public Procurement,⁵⁴ drafted by the Ministry of Economics and Finance and the Ministry of Economic Regeneration in 2014, recommends the tender award criteria that allow enhancing the innovative solutions.

3.10.2 Sub-indicator II - Openness of the national public procurement market to innovations from across the EU single market

The EU average for sub-indicator II is 65%. This is below the 79,4% "sufficient" level calculated based on the sufficient levels of all the relative sub-indicators as defined in the EU Single Market Scoreboard. The top performing country, which is also the only one exceeding the sufficient level, is Norway (81%), closely followed by Estonia, Ireland and Lithuania (78%).

	Level of transparency	Level of competition	Total Sub-Indicator II
Austria	30%	91%	60%
Belgium	30%	90%	60%
Bulgaria	66%	71%	68%
Croatia	69%	75%	72%
Cyprus	27%	64%	46%
Czech Republic	55%	72%	63%

⁵³

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/677891/MS_C_Guidance_V1.0.pdf

⁵⁴ https://www.economie.gouv.fr/files/files/directions_services/daj/marches_publics/conseil_acheteurs/guides/guide-pratique-achat-public-innovant.pdf

	Level of transparency	Level of competition	Total Sub-Indicator II
Denmark	56%	91%	73%
Estonia	69%	87%	78%
Finland	53%	94%	73%
France	37%	91%	64%
Germany	27%	89%	58%
Greece	32%	83%	57%
Hungary	63%	79%	71%
Ireland	62%	95%	78%
Italy	31%	82%	56%
Latvia	61%	82%	71%
Lithuania	68%	88%	78%
Luxembourg	32%	93%	62%
Malta	3%	93%	48%
Netherlands	58%	89%	74%
Norway	66%	95%	81%
Poland	39%	73%	56%
Portugal	14%	89%	51%
Romania	34%	70%	52%
Slovakia	65%	88%	77%
Slovenia	53%	70%	61%
Spain	46%	85%	65%
Sweden	58%	95%	76%
Switzerland	n/a	n/a	n/a
UK	14%	83%	48%
Average	45%	84%	65%

* EU Single Market Scoreboard data not available for Switzerland.

Level of competition

The EU average in terms of level of competition is 84%. For each country, the criterion was calculated as an average of two different sub-criteria: (i) the percentage of EU tendered procurements with more than one bidder, and (ii) the percentage of EU tendered procurements in which a call for bids was used.

The best performing countries for the sub-indicator "percentage of EU tendered procurements with more than one bidder" are Norway (90%), Sweden (89%) and Finland (89%). However, none of these countries reaches the 90% "satisfactory" level set in the EU Single Market Scoreboard. Regarding the second sub-indicator (i.e. percentage of EU tendered procurements in which a call for bids was used), the best performing countries are Sweden (100%), Luxembourg (100%), Malta (100%) and Ireland (100%). For this sub-indicator, 16 countries (SE, LU, MT, IE, AT, BE, DK, FI, FR, DE, GR, LT, PL, PT, SK, UK) reach the 95% "satisfactory" level.

The best performing countries on the total sub-indicator "level of competition" are Norway, Ireland, Finland, Sweden, Luxembourg and Malta, which are also the only ones above the "satisfactory level" of the EU Single Market Scoreboard.

	More than one bidder made an offer	Call for bids was used	Total sub-indicator Competition
Austria	83%	98%	91%
Belgium	81%	98%	90%
Bulgaria	68%	74%	71%
Croatia	56%	94%	75%
Cyprus	58%	70%	64%
Czech Republic	53%	90%	72%
Denmark	86%	95%	91%
Estonia	80%	94%	87%
Finland	89%	98%	94%
France	85%	97%	91%
Germany	81%	97%	89%
Greece	66%	99%	83%
Hungary	65%	92%	79%
Ireland	89%	100%	95%
Italy	70%	93%	82%
Latvia	73%	91%	82%
Lithuania	79%	97%	88%
Luxembourg	86%	100%	93%
Malta	85%	100%	93%
Netherlands	84%	94%	89%
Norway	90%	100%	95%
Poland	51%	95%	73%
Portugal	78%	99%	89%
Romania	57%	83%	70%
Slovakia	81%	95%	88%
Slovenia	63%	76%	70%
Spain	77%	92%	85%
Sweden	89%	100%	95%
Switzerland	n/a	n/a	n/a
UK	68%	97%	83%
Average for each sub-indicator	75%	93%	84%

* EU Single Market Scoreboard data not available for Switzerland.

Level of transparency

The EU average for the sub-indicator "level of transparency" is 45%. For each country, the score was determined by taking into consideration 3 different sub-criteria: (i) the publication rate, namely the value of procurement advertised on TED as a proportion of the national GDP, (ii) the "no missing calls for bids", namely the share of contract awards that have no missing information, and (iii) the "no missing buyer registration numbers", meaning the proportion of procedures where the registration number of the buyer was included.

The low EU-average score is mainly due to the fact that the "publication rate" in many countries is low. In this respect, the best performing countries are Latvia (9,8%) and Estonia (8,7%). Also Denmark, Poland, Slovakia, Romania and Bulgaria score above the 5% "satisfactory" level set for this indicator in the EU Single Market Scoreboard.

The best performing countries on sub-criterion "no missing call for bids information" are Estonia (99%), Lithuania (98%), Croatia (99%) and Ireland (98%). These countries are the only ones achieving the "satisfactory" 97% level set in the EU Single Market Scoreboard.

Finally, concerning the sub-indicator "no missing buyer registration numbers", the strongest performers are Estonia (100%), Croatia (100%) and Lithuania (100%). Also Norway, Bulgaria, Greece, Hungary and Slovakia are above the 97% "satisfactory" level.

As a result, the best performers on the overall sub-indicator "level of transparency on the EU single market" are Estonia (69%), Croatia (69%), Lithuania (68%), Norway (66%) and Bulgaria (66%), which are the only countries reaching on average the "satisfactory" level calculated by combining all 3 criteria.

	Publication rate	No missing call for bids information	No missing registration numbers buyer	Total sub-indicator Transparency
Austria	2,2%	84%	3%	30%
Belgium	3,4%	74%	12%	30%
Bulgaria	6,4%	92%	99%	66%
Croatia	6,8%	99%	100%	69%
Cyprus	1,7%	80%	0%	27%
Czech Republic	3,8%	66%	96%	55%
Denmark	6,7%	91%	69%	56%
Estonia	8,7%	99%	100%	69%
Finland	4,2%	96%	60%	53%
France	3%	83%	25%	37%
Germany	1,2%	78%	3%	27%
Greece	1,8%	85%	99%	32%
Hungary	4,4%	87%	99%	63%
Ireland	2%	98%	85%	62%
Italy	2,5%	87%	3%	31%
Latvia	9,8%	95%	78%	61%
Lithuania	4,5%	98%	100%	68%
Luxembourg	1,5%	93%	0%	32%
Malta	4,8%	5%	0%	3%

	Publication rate	No missing call for bids information	No missing registration numbers buyer	Total sub-indicator Transparency
Netherlands	2,4%	81%	92%	58%
Norway	4%*	94%	99%	66%
Poland	6,4%	92%	18%	39%
Portugal	1,4%	33%	9%	14%
Romania	5,7%	5%	0%	34%
Slovakia	5,6%	91%	99%	65%
Slovenia	4,3%	81%	73%	53%
Spain	1,6%	81%	55%	46%
Sweden	4,9%	93%	77%	58%
Switzerland	n/a	n/a	n/a	n/a
UK	4,9%	34%	2%	14%
Average	4%	84%	48%	45%

* Due to lack of data from the EU single market scoreboard, for Norway the average value for the publication rate sub-indicator is used.

An interesting example of maximizing transparency in public procurement is:

- In Greece, the National System of e-Public Procurement-ESHDHS was updated in 2017. In addition to the tenders already available in the past, today the new portal also integrates all the tenders published in the Central e-Registry of Public Procurement (KHDMHS). On this national portal (ESHDHS) it is compulsory to publish all public procurements above 60.000 euro. This includes not only the publication of prior information notices, contract notices and contract award notices but also the publication of all procurement stages (including contracts and payment orders). This measure has significantly helped companies identify interesting public procurement opportunities and enhanced the level of transparency.