



*Supporting Innovation
through Public Procurement...*

**Spanish Observatory
of Public Procurement
www.obcp.es**

What is Spanish Observatory of Public Procurement?

The Spanish Observatory of Public Procurement (OBCP) was launched in October 2011 as a *think tank* for public procurement policies. Located at the School of Law of the University of Zaragoza, the Observatory has a network in which participate over 130 members from the Academia, contracting authorities and advisory committees of regional and state governments, all of them linked with the legal aspects of public procurement. The initiative is supported by the Spanish Ministry of Economy and Competitiveness (MINECO). Professor José María Gimeno Feliú is the main leader of the Observatory.

More info about the Observatory:

- <http://www.obcp.es>
- http://ope.unizar.es/unizarEU2020/index.php/Public_Procurement (about the Academic Group that leads the Observatory)

Boost Innovation through Public Procurement...

The potential for increasing demand for innovative products or services through public procurement is huge. European public authorities spend almost or 16% of GDP (EUR 2000 billion), on goods and services yearly.

End of 2011 the Commission adopted a proposal for modernising the public procurement directives. Research and innovation play a central role in the Europe 2020 strategy for a Smart, Sustainable and Inclusive growth. One of the objectives of the new legal framework on public procurement (whose approval is expected in early December 2013) is to allow procurers to make better use of public procurement in support of common societal goals such as the promotion of innovation. Public purchasers should be enabled to buy innovative products and services promoting future growth and improving efficiency and quality of public services. How is it made?

- The new Directives include exemptions for R&D services which currently build the legal basis for *pre-commercial procurement*.
- A new award procedure, *innovation partnerships*, will be available. It, allows contracting authorities to apply a negotiated procedure for the development and purchase of innovative supplies, services and works. This covers both the R&D phase and the purchase of any resultant innovation –addressing one of the limitations of PCP.
- Due to its huge potential for innovation, the new Directives include provisions to make the access to public contracts more friendly for Small and Medium-sized Enterprises (SMEs).
- Contracting authorities may take into account the innovative character of services and products as contract award criteria.
- The new Directives facilitate cross-border *joint procurement*, which is an important instrument for innovative purchasing.

Innovative Public Procurement in Horizon 2020.

Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Running from 2014 to 2020 with a budget of just over €70 billion, the EU's new programme for research and innovation is part of the drive to create new growth and jobs in Europe.



Horizon 2020 makes a strong focus on creating business opportunities out of our response to the major concerns common to people in Europe and beyond, (i.e. 'societal challenges'). Funding will be focused on the following challenges:

- Health, demographic change and wellbeing;
- Food security, sustainable agriculture, marine and maritime research and the bio-economy;
- Secure, clean and efficient energy;
- Smart, green and integrated transport;
- Climate action, resource efficiency and raw materials;
- Inclusive, innovative and secure societies.

The «Innovation Union» Flagship of the Europe 2020 strategy called for the European Commission to provide guidance and set up a financial support mechanisms to help contracting authorities implement procurement of innovation. In November 2011, the publication of the EC Communication: «Horizon 2020 - The Framework Program for Research and Innovation (2014-2020)» confirmed procurement of innovation, with both Pre-Commercial Procurement & Public Procurement of Innovation, as a new policy tool to support smart, sustainable and inclusive growth and to foster the business competitiveness in the European Union.

In the Horizon 2020, pre-commercial procurement is officially introduced as a new funding instrument that can be used across all areas of research and innovation supported by the European Commission.

Previous Expertise.

The University of Zaragoza (UNIZAR), through some members of the Spanish Observatory of Public Procurement, is currently involved in a number of projects and initiatives related to Public Procurement, such as:

- **Water PiPP - Water Public Innovation Procurement Policies** (ENV.2013.WATER INNO&DEMO-2b) (Starting Date: January 2014). Water PiPP is aimed at exploring new innovation-oriented public procurement methodologies and testing it through pilot cases by procurers of the water sector in the context where European innovation potential in this field is blocked by a number of bottlenecks and barriers. In this project, the main task for the members of the Spanish Observatory of Public Procurement is to carry out the necessary legal work to ensure that the procurement complies with European and national laws.
- **European Innovation Partnership (EIP) on Water.** The University of Zaragoza is a member of the EIP Water Action group *FINNOWATER-Innovative financial instruments and mechanisms to support public and private sector in water innovation*. The FINNOWATER Action Group intends to explore, develop and implement new approaches to increase financial flows in the water (and water-related) sector, particularly by incentivizing public innovation (Pre-Commercial Procurement PCP, and Public Procurement of Innovative Solutions PPI) of new technologies and services as well as other innovative financial tools and mechanism.
- **Public procurement optimization using semantic techniques**, for the Spanish Ministry of Industry, Commerce and Tourism (TSI-020606-2012-4) through the Avanza 2.0 Innovation program -“IT strategic actions”-: (2012- 2014).
- **Efficient public procurement**, supported by the Spanish Ministry of Economy and Competitiveness. The goal of the project is to define measures to simplify the public contract award procedures, on increasing the efficiency of public funds allocated to the acquisition of works, goods, and services, and on reducing the administrative burdens for economic operators (2013-2015).

Want to Contact?

Miguel Ángel Bernal Blay
Executive Manager
mabernal@unizar.es
www.obcp.es