



PCP and PPI, two instruments to foster innovation

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Innovation procurement



- ❑ Public procurement accounts for c 20% of the GDP in Europe
- ❑ The majority of the public procurement is spent at local and regional levels
- ❑ ICT is a key player for productivity growth in Europe and the European Central Bank identifies slow ICT adoption as a key reason for efficiency lag in public sector
- ❑ Innovation procurement represents a win-win situation:
 - Public services can become modern and efficient
 - European companies can become more competitive

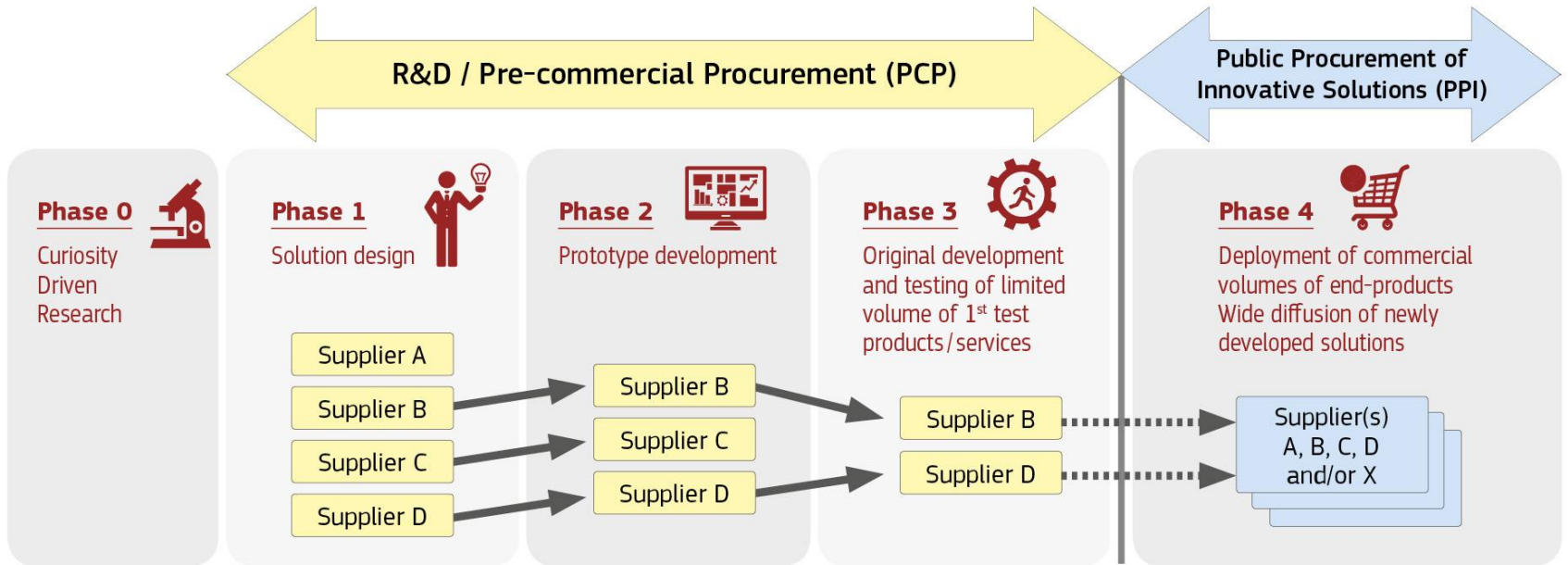


Rationale for PCP/PPI



- ❑ Public sector is faced with important challenges, which often requires often wide transformations
- ❑ In some cases, solutions are near to be a available on the market, but still need to be adapted to the specific requirements of the public customers
 - **Public Procurement of Innovative Solutions** (PPI)
- ❑ In other cases, R&D work is still required to de-risk technology and competing solution approaches need to be compared before committing to large scale deployment
 - **Pre-Commercial Procurement** (PCP)



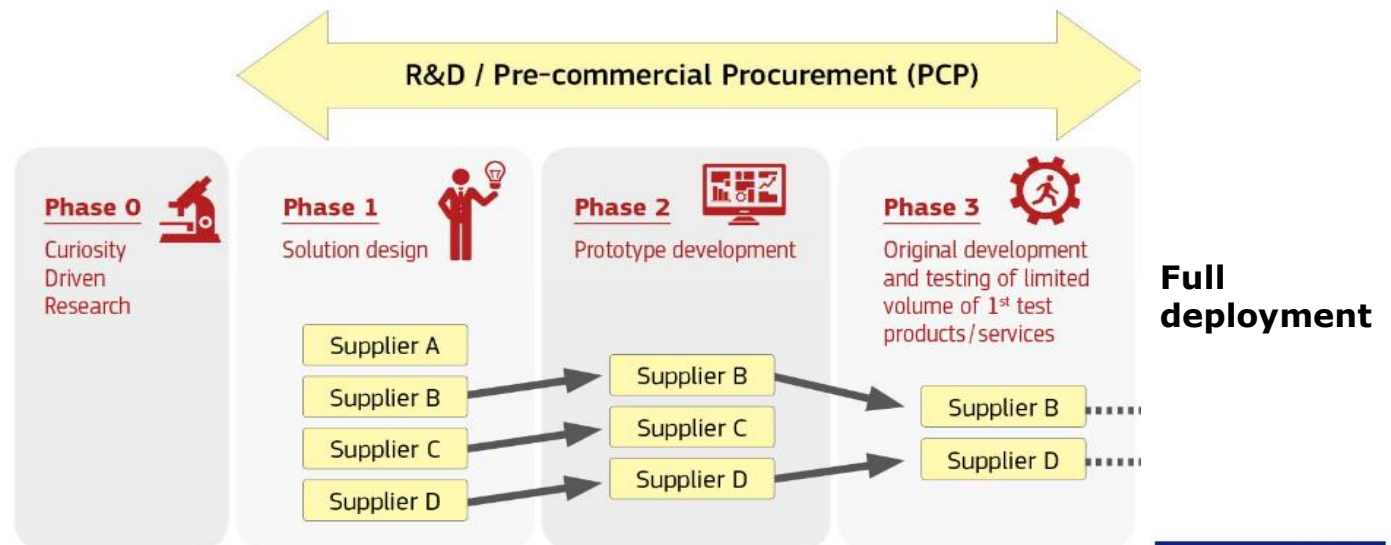


From: Innovation procurement, Vasileios Tzanidis, EC DG CNECT

Pre-Commercial Procurement



- ❑ **Objective:** to steer the development of innovative solutions towards concrete public sector needs
- ❑ **Approach:** public sector buys R&D from several suppliers in parallel in form of a competition, comparing alternative solution approaches and evaluating progress after critical milestones (design, prototyping, test phase)

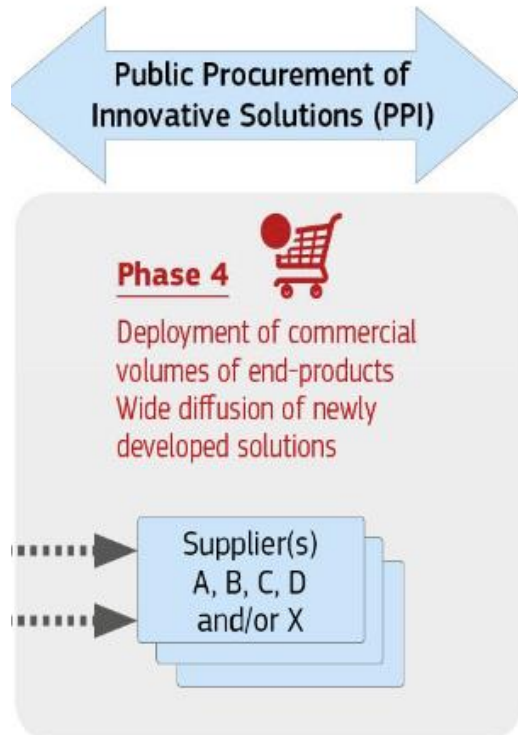


Public Procurement of Innovative Solutions



- ❑ **Objective:** to act as
 - launching customer
 - early adopter
 - first buyerof innovative commercial solutions newly arriving on the market, not yet widely commercially available

- ❑ **Approach:** public sector buys a significant volume of solutions, conducting test, certification, labelling activities



Benefits



Suppliers

- Better products
- Economies of scale
- Wider market size
- Shorter Time to market

- New lead markets
- Increase export
- Global competitiveness

Politicians

- Quality of public services
- Focus on political priorities
- Improve innovation
- Attract foreign investment
- Increase employment

- First buyer in early R&D
- Shared risks & benefits

- Reduce cost of procurement
- Reduce risk of innovation

Pre-commercial Procurement

Get the 'Best Product'...

- Address 'public market innovation failure'
- Shape product development to public needs
- Increase technology knowledge
- Reduce risk in commercial tendering
- Favour supplier competition

... at the 'Lowest Price'

- Pooling of resources
- Economies of scale
- No licensing costs
- 'First time right' product
- 'EU interoperable'
- Attractive to venture capitalists
- Reduce unforeseen expenditure

Procurers



H2020 PCP/PPI Funding Instruments



PCP Actions (90% funding rate):

- Provide EU co-financing for joint PCP procurement + related coordination and networking activities (e.g. to prepare, manage and follow-up the PCP call for tender)

PPI Actions (35% funding rate):

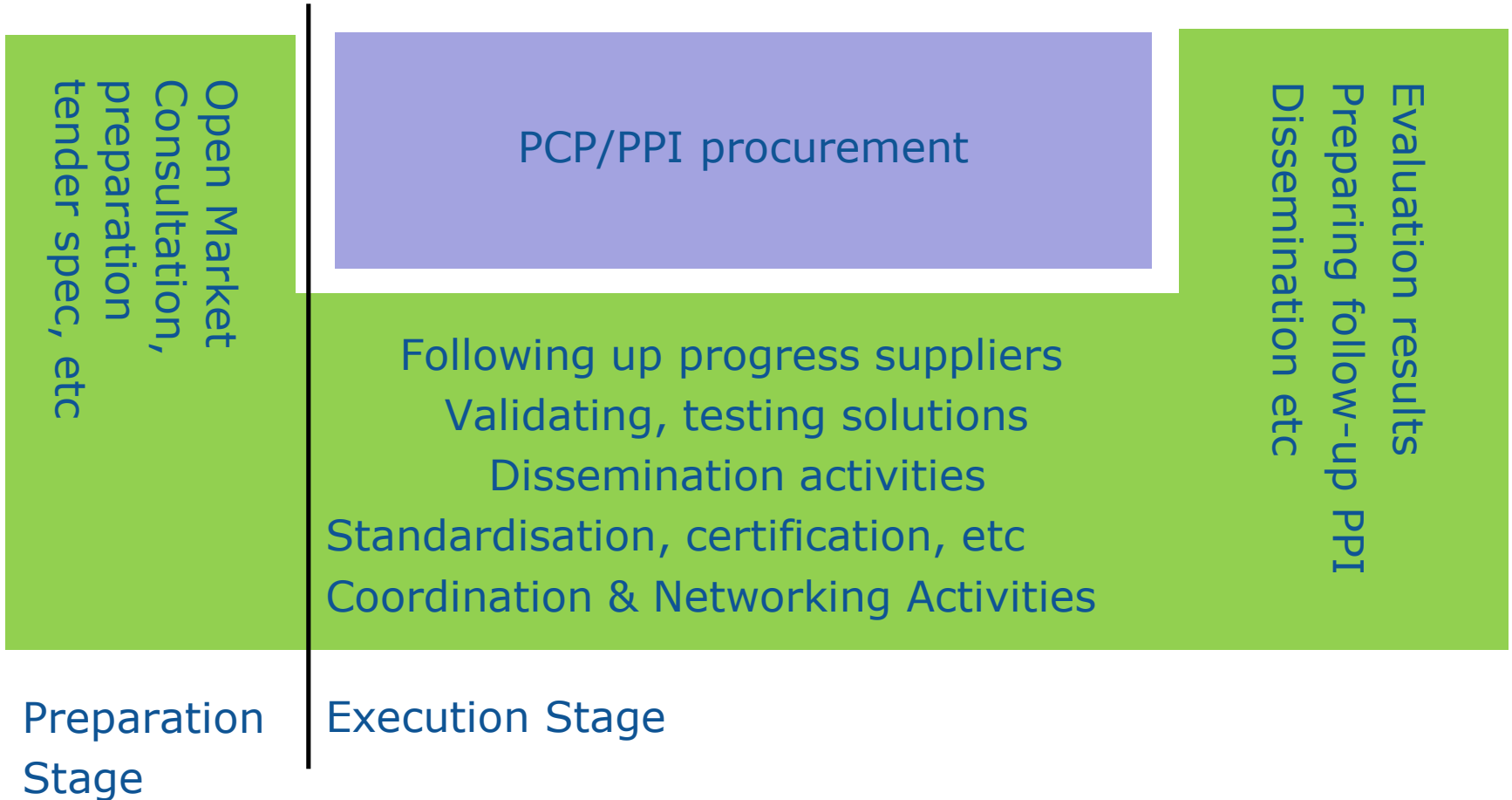
- Provide EU co-financing for joint PPI procurement + related coordination and networking activities (e.g. to prepare, manage and follow-up the PPI call for tender)

Coordination and Support Actions (100% funding rate):

- Support only coordination activities e.g. preparation of a PCP or PPI by a group of procurers (investigating feasibility to start PCP/PPI, open market consultation with industry before initiating a concrete PCP or PPI etc.)



Funded activities



Roles and actors in PCP/PPI projects



❑ **Buyers group**

These are the beneficiaries that provide the financial commitments for the PCP or PPI.

They represent the demand side for the innovations, aiming at quality and efficiency improvements in area of public interest.

❑ **Lead procurer**

This is the public procurer appointed by the buyers group to lead and coordinate the PCP or PPI.

❑ **Subcontractors**

They are the suppliers selected by the buyers group through the PCP or PPI call for tender, to provide the R&D services (PCP) or innovative solutions (PPI).

They do 'NOT' enter the grant agreement with the EC.



2017 calls (~84 M€)



PCP Actions (90% funding rate):

- Robotics smart cities: 7 M€ (ICT-27(d))
- Soil decontamination: 5 M€ (SC5-26)
- Broadband coms security: 10 M€ (4-DRS)
- Forensics: 10 M€ (9-FCT)
- Border control: 10 M€ (13-BES)

PPI Actions (35% funding rate):

- E-health standards: 8,26 M€ (PM-19)
- Supercomputing: 26 M€ (EINFRA-21)
- Energy efficiency: part of larger call (EE-19)

Coordination and Support Actions (100% funding rate):

- Competence centers & procurer networks any area preparing PCP/PPIs: 4 M€ (ICT-33)



An example of PCP project: PREFORMA



- ❑ **Pre-Commercial Procurement** project co-funded by the European Commission under FP7-ICT Programme
- ❑ 13 partners: **9 procurers** led by Riksarkivet + **4 technical partners** who assist them in the preparation, running and evaluation of the procurement
- ❑ **Objective**: to empower memory institutions to gain full control over the process of conformity tests of files intended for long-term preservation
- ❑ Expected outcomes:
 - **3 open source conformance checkers** for: electronic documents, still images and AV content
 - **Interoperability mechanisms** allowing the integration of the tools into the legacy systems of the memory institutions and their extension to new formats
 - **Sustainable community** that ensures long-term availability of the software, generates useful feedback for those who control the software and advances improvement of the standard specifications



Project structure



□ Coordination Activities (CSA)

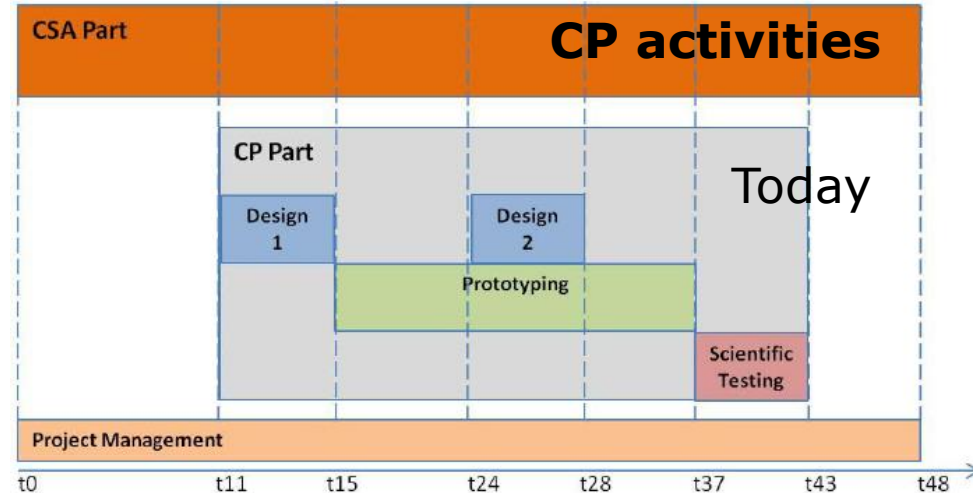
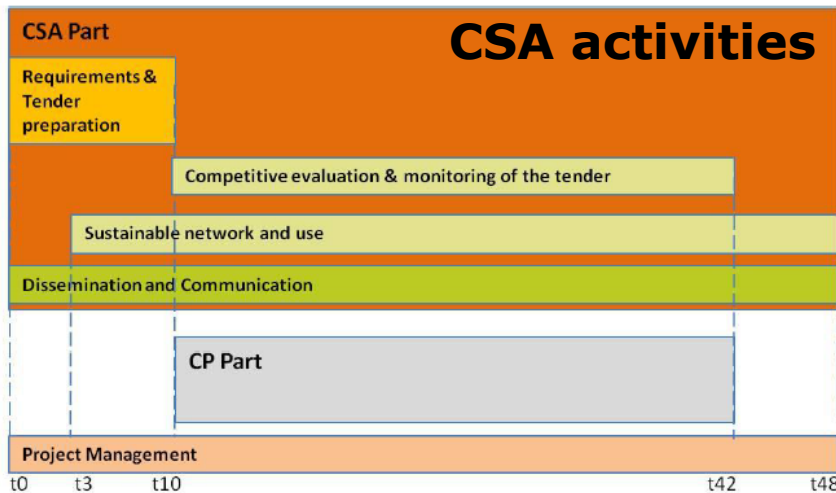
- Project **management** (leaders: RA and PROMOTER)
- **Monitoring** the tender procedure (leader: UNIPD)
- Defining **functional and performance criteria**, including legal and financial issues (leader: PACKED)
- Set up a wide **network** of stakeholders, memory institutions and research groups (Leader: RA)
- **Disseminate** the outcomes of the tender (leader: PROMOTER)

□ Collaborative Activities (CP)

- **Design** phase, where the suppliers describe their solutions in terms of detailed functions (leader: FRAUNHOFER)
- **Prototyping** phase, where the suppliers develop prototypes of their solutions, satisfying the agreed functional and performance criteria (leader: RA)
- **Testing** phase, where the prototypes are subjected to scientific testing against the datasets provided by memory institutions (leader: UNIPD)



Project implementation schedule



- ❑ **Design phase** (4 months): November 2014 – February 2015
- ❑ **Prototyping phase** (22 months): March 2015 – December 2016
 - First prototypes: March 2015 – October 2015
 - Re-design: November 2015 – February 2016
 - Second prototype: March 2016 – December 2016
- ❑ **Testing phase** (6 months): January 2017 – June 2017



First results



Available on the Open Source Portal

www.preforma-project.eu/open-source-portal.html

□ Unique access point to all the open source projects

- Latest downloads
- Documentation
- Sample files
- Issue/bug trackers
- Relevant links

A screenshot of the Preforma Open Source Portal website. The page features a dark grey header with the Preforma logo, European Union and Horizon 2020 logos, and a navigation menu. The main content area is titled 'OPEN SOURCE PORTAL' and contains a paragraph of introductory text. Below this, there are three project entries: 'PROJECT N.1. VeraPDF: THE PDF/A CONFORMANCE CHECKER ACCEPTED INDUSTRY-WIDE', 'PROJECT N.2. DPF MANAGER: DIGITAL PRESERVATION FORMATS MANAGER', and 'PROJECT N.3. MEDIACONCH - CONFORMANCE CHECKING FOR AUDIOVISUAL FILES'. Each entry includes the project name, a brief description, and a link to the project page. A right-hand sidebar lists 'PREFORMA OPEN SOURCE PROJECTS' with links to 'PDF/A CONFORMANCE CHECKER', 'DPF MANAGER', 'MEDIACONCH', and 'OTHER EXISTING TOOLS'.



How to contribute



- ❑ Participating in the **refinement of the requirements** and in the **definition of the policies** to be checked
- ❑ **Providing datasets** to be used to test the prototypes, including both valid/conform files and corrupted files
- ❑ **Testing the software prototypes** by your own and reporting us your feedback
- ❑ Contributing to the **improvement of the conformance checkers** by joining the suppliers' developer communities



Next Appointment



Experience Workshop

Berlin, 23 November 2016

Objectives: demonstrate the use of the conformance checkers for file-formats developed in the project, involve memory institutions outside the PREFORMA consortium in testing, using and further developing the software, and share the experience gained by PREFORMA memory institutions working with developers under R&D service agreements



Register at <http://experienceworkshop.preforma-project.eu/>





More info on Innovation Procurement:

<http://ec.europa.eu/digital-agenda/en/innovation-procurement>

Ongoing PCP/PPI projects in ICT (and other) domains:

<http://ec.europa.eu/digital-agenda/en/news/innovation-procurement-power-public-purse>





Thank you!

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