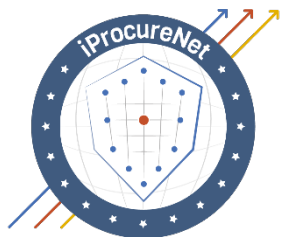


THE IPROCURENET TOOLBOX: CONTRIBUTIONS TO FOSTER JOINT CROSS-BORDER PUBLIC PROCUREMENT IN THE SECURITY SECTOR

*CERIS SSRI WORKSHOP ON INNOVATION PROCUREMENT
6TH JULY 2023, BRUSSELS*



Innovation by developing a European Procurer
Networking for security research services



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INNOVATION PROCUREMENT

WHAT IS INNOVATION PROCUREMENT?

- Undertaking the procurement process **in a way** that stimulates the supply chain to invest in developing better and more innovative goods and services to meet the unmet needs of an organization

OR

- •Simply **removing barriers** to the procurement of innovative solutions

- ✓ Procurement **in a way that** unlocks or exploits the creativity and innovation potential of suppliers to deliver better outcomes, cost effectively

CHANGING HOW WE THINK & UNDERTAKE PROCUREMENT & HOW CONTRACTING AUTHORITIES WORK WITH SUPPLIERS

ensuring the **procurement process enables new solutions** to compete on a level playing with established goods and services.

THE EFFECT JCBPP WILL HAVE ON THE MARKET

- Importance of understanding **the effect JCBPP** may have in the specific **market**
 - *If the public buyer is the only buyer or the most important buyer: monopsony situation, pricing distortions (waterbed-type effect as a result of higher prices for fringe buyers, e.g.)*

BUT

- *It can also be a chance for public buyers to influence sustainable, social and environmental achievements in procuring goods and services,*
- *Changing the market offer from a demand-side position and foster the implementation of sustainable development (UN Agenda 2030 and EU)*

FROM COOPERATION TO COLLABORATION

Collaborate demands:

- Sharing knowledge
 - Technical
 - Practical
 - Legal
- Sharing asymmetries and agency issues
- Sharing risks
- Sharing public interest/unmet needs



Strategic necessity for
the European integration

Increase efficiency and
innovation

- Public procurement professionalization and new organizational models
- Benchmarking between public administrations (best procurement strategies and practices)

CPB: THE 2014 DIRECTIVES' NEW VISION

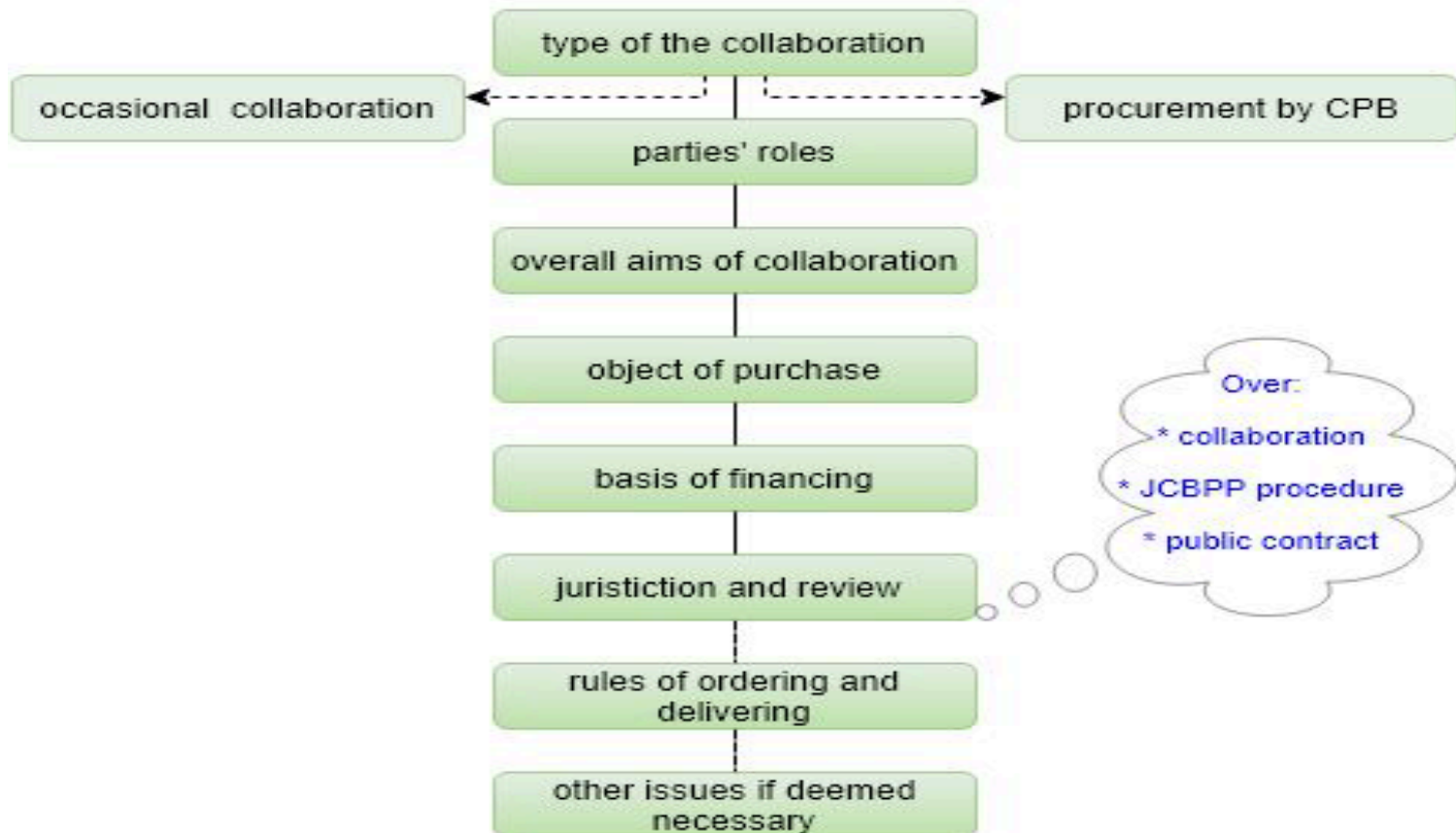
- *Article 39 of the Directive 2014/24 (cont.)*
 - The provision of centralized purchasing activities by a central purchasing body located in another Member State shall be conducted in accordance with the national provisions of the Member State where the central purchasing body is located.
 - The national provisions of the Member State where the central purchasing body is located shall also apply to the following:
 - (a) the award of a contract under a dynamic purchasing system;
 - (b) the conduct of a reopening of competition under a framework agreement;
 - (c) the determination pursuant to points (a) or (b) of Article 33(4) of which of the economic operators, party to the framework agreement, shall perform a given task.

JCBPP: THE 2014 DIRECTIVES' NEW VISION

- *Article 39(4) of the Directive 2014/24 (cont.)*
 - Several contracting authorities from different Member States may jointly award a public contract, conclude a framework agreement or operate a dynamic purchasing system.
 - They may also, [...], award contracts based on the framework agreement or on the dynamic purchasing system.
 - Unless the necessary elements have been regulated by an international agreement concluded between the Member States concerned, the participating contracting authorities shall conclude an agreement that determines:
 - (a) the responsibilities of the parties and the relevant applicable national provisions;
 - (b) the internal organisation of the procurement procedure, including the management of the procedure, the distribution of the works, supplies or services to be procured, and the conclusion of contracts.

COLLABORATION DECISION

Collaboration decision to include:



RISK MANAGEMENT

- One of the biggest challenges to be addressed is the CA's **risk aversion**.
- Most of the times, this risk aversion is related with decision-making transparency and accountability principles and demands a systematic process of evaluating and addressing the impact of risks in a cost effective way.
- Innovation procurement may increase the risk, depending on what kind of public procedure CA need to use, eg, if you have a R&D phase inside the procurement procedure which arouses the mitigation policy of funding (and the subsequente question of state aids).
- JCBPP allows an importante risk sharing between CA, considering that there is an asymetry of information between CA and the undertaking.

JCBPP & INNOVATION

- **Joint Cross-Border Public Procurement** (JCBPP) plays an important role in innovation procurement **strategy** and itself is **innovative**.
- **Joint procurement of security solutions:**
 - ✓ will optimize cost
 - ✓ will help find **common** answers to **common** societal challenges
 - ✓ replace the current fragmented security market by a **common European market**.
- **Cross-border purchasing** makes it possible to:
 - ✓ consolidate public purchasing demand in not one but many jurisdictions
 - ✓ makes it easier for public agencies to deliver higher quality, lower-priced goods and services to their populations.

FINAL TOPICS



- **Cross-border procurement as a strategic tool:**
 - ✓ Strengthening the European single market
 - ✓ Promoting capacity building among contracting authorities
 - ✓ Advancing social and environmental goals
 - ✓ Allow combining purchasing power and the goals of industrial policies
- Although **JCBPP** requires different public agencies to **reconcile and apply** their sometimes **different rules**, that reflect different approaches to the social and political issues that inform procurement law (G. Racca, C. Yukins, *Joint Public Procurement and Innovation*, Bruylant, 2019), **2014 Public Procurement Directives** mark a pathway to an improved procurement system towards innovation in the Member States.

FINAL TOPICS (CONT.)

- **Public-public collaboration requires a procurement strategy (collaboration + compromise)**
- **JCBPP**
 - Is an effective way to boost innovation from the demand-side
 - Doesn't mean huge contracts
 - SMEs are not excluded from procurement procedure (e.g. procurement splitting into lots)
 - Efficient way to procure transnational common unmet needs
 - Will favour the harmonization of tender documents, procedures, best practices, contract clauses and contract performance.

THE TOOLBOX MAIN STRUCTURE

In a few weeks, Release 2 of the Toolbox will be delivered and will be available here

<https://www.iprocorenet.eu/home/toolbox/>
Please, answer our feedback survey

About

**Joint Cross-border and
innovation procurement in the
security sector**

**Joint Cross-border Public
Procurement (JCBPP)**

Innovation Procurement (IP)

**How to – Guide for JCBPP and
IP in the Security sector**

Ethics in Public Procurement

WHAT WE AIM TO PROVIDE USERS WITH



Understanding PP as a **strategic tool** to deliver **better outcomes & solutions** for specific **challenges & unmet needs**



Proposals of **how** JCB & Innovation procurement can be **applied** in specific **security sector**



Practical advice on how to **initiate** and **manage** JP and IP procurements



Specific **Joint Procurement role** & **benefits** for the **security sector**



How **challenges** and **features** of JP and IP **approaches** in security can be addressed





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About this toolbox

This Toolbox contains step-by-step guides and information on legal, practical and financial issues that need to be taken account

[Introduction, purpose and aims](#)

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Defines JP; Outlines the role and benefits of JP, and why it is a valuable tool for the security sector; what JP looks like in practice, including short illustrative case examples highlighting the benefits and methods used. References to relevant policy, legislation, regulation etc.



JCBPP in practice



Roles and benefits



Defining JCBPP



Methods and tools overview



Policy, Legislation, and Regulation in the security sector



Procurement at the heart of security innovation



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JCBPP in practice



Roles and benefits



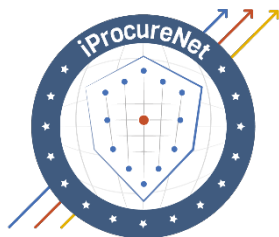
Defining JCBPP



Methods and tools overview



Policy, Legislation, and Regulation in the security sector



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JCBPP in practice



iProcureNet Services	+
Examples and benchmark cases	+
Good practices	+
Enabling factors for JCBPP	+
Challenging issues	+



JCBPP in practice



iProcureNet Services	+
Examples and benchmark cases	+
Good practices Strategies and activities that reliably lead to a successful JCBPP. For all public procurement procedures For JCBPP in tender phase For JCBPP in post-tender phase/contract performance phase	+



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JCBPP in practice



iProcureNet Services



Examples and benchmark cases



Good practices

Strategies and activities that reliably lead to a successful JCBPP.



[For all public procurement procedures](#)

[For JCBPP in tender phase](#)

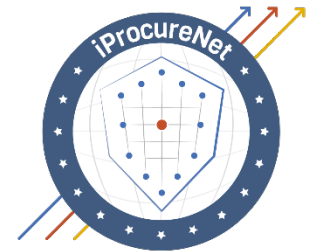
[For JCBPP in post-tender phase/contract performance phase](#)

THANK YOU!
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