How to buy innovation

Why should you buy it

What to lose or....gain

Tomas Matraia

CEO of The AdWisers

www.theadwisers.com

INTERNATIONAL ITAPA CONGRESS 2020

A strategic use of public procurement of innovation at EU level:



Public Administration modernisation, empowerment and economic re-launch



Fostering your excellence Advancing your reputation

Internationalisation Innovation & Development Leadership & Capacity building Private Investment

> & Partnerships

Engineering the best policies and solutions

from developed and developing world to respond to contemporary challenges,

for the benefit of the public & private sector and society at large



OPPORTUNITIES

Glocalisation & business adaptation Internationalisation, value creation, access economy, finance, global issues, SDGs, partnerships.

Home

IMPACT

Knowledge, change, management Adaptive leadership, emotional intelligence, management, processes, trainings, capacity building.

R-EVOLUTION

Human technology & disruptive solutions Artificial intelligence, machine learning, mobile & big data, innovation issues.

IDENTITY

Branding, Marketing, Engagement Campaign strategy & stakeholder engagement, raising awareness, participation, social communication.

ENVIRONMENT

Resources & sustainable production Agri-food, energy, water chemical industry, circular economy, climate change, rural development.

INFLUENCE

Power, policy & progressive societies

State & non-state actors dynamics: cities, companies, communities, influencers, NGOs, Academia.

LEADING TRANSFORMATION



Challenges

Modernisation of society

Digitalisation of economy > society

New digital rights for citizens & businesses

Answer citizens' needs

Velocity Universal/ubiquitous access Transparency Efficiency & effectiveness Justice Fairness Performance Solidarity Social mobility



MODERNITY vs. PUBLIC ADMINISTRATION



Public opinion is rightly interested to know

whether the procured solution is not only formally compliant

but also whether it brings the best added value in terms of:

quality, cost-efficiency, environmental and social impact and ...

whether it brings opportunities for the suppliers' market and more...



MODERNISING SOCIETY



More technophile, environmentally responsible and socially conscious citizen demand a premium public service experience

New demands from taxpayers

Public scrutiny, political & financial pressure, push for efficient & integrated solutions

No more (only) best value for \$!

better cost effectiveness + environmental and social benefits + new business opportunities for enterprises

New responsibilities for PA

How to meet expectations in integrated fashion?

PPI aims at meeting higher quality and public expectations



Interconnected society - Evolution of PP(I)



Operationalise

Recovery, resilience & relaunch of Economy

Covid & post-covid economy

States & PA modernisation New business & jobs Stronger EU market Global competitiveness Funds absorption capacities Trust & transparency Harmonisation & action New green deal Next generation EU Political & social recognition

Modern procurement market competitive, open, wellfunctioning, effective & efficient

Public funds = good use



PPI: A TOOL TO UNLOCK MODERNISATION



Access new and innovative solutions & products not in the radar of/accessible for the PA

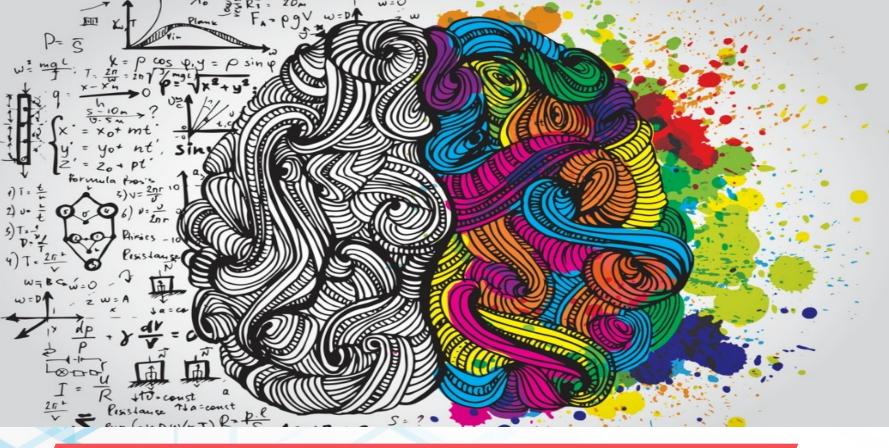
Support & partner with businesses driving the change (resilient, digital, green & sustainable economy & society)

Improve Govts, PA, industry policy-making processes

Empower & train PA personnel

Involve and responsabilise leaders, elected reps, society

Acknowledgment, recognition and respect from markets, society and leaders



POLICY, PEOPLE, PROCESS, PRODUCTS, PRIDE



High expectations and challenges. How to avoid a hard landing: PA needs continuous capacity building trainings.

Lack of:

- clear and accurate definition of PPI at EU level
- clear-cut legal framework at national level
- a well-structured organisation in the procurement departments of PA
- incentives/motivation of buying innovative solutions from a new company
- awareness as to the procedures and available tools
- cooperation mentality (e.g. ask for support, joint procurements, etc.)
- available budget for procurement of innovation in most EU MS
- Limited human resources, skill gaps, etc
- Difficulties for innovative SMEs to be involved in public procurement as direct providers



REALITY CHECK:



AI, GOVTS, Procurement How government may use AI

Chat bots:

Gov.agencies > manage overwhelming inquiries from the general public

Predictive policing: law enforcement, fighting crime

Concerns: sensitive information about people misused, bias, discrimination in society?

PPI helps > rethink PPI of Al

Key: innovation, efficiency, ethics

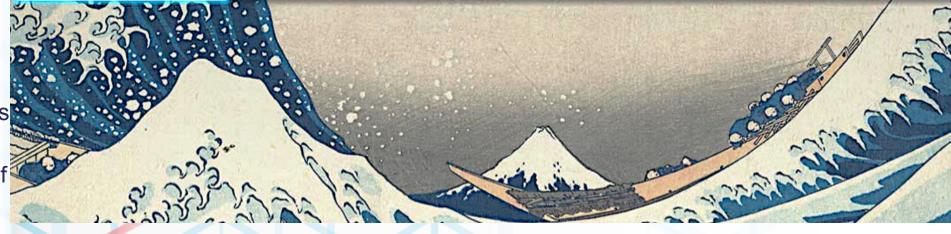
New approach > buy emerging tech (AI) > faster PA adoption of Al > development of ethical standards > public trust

Establish actionable procurement guidelines

Enable good decision-making



BACK TO THE ... FUTURE?: PPI and AI





Al potential to greatly improve government operations and meet the needs of citizens in new ways.

Intelligently automated administrative processes generating insights for public policy developments and improving public service delivery (e.g. personalized healthcare)

Many public institutions are lagging behind in harnessing this powerful technology because of challenges related to data, skills, ethical deployment, adequate procurement processes, knowledge, trainings, culture etc

Scoping

Key aims of this phase:

- Understanding user needs
- Testing hypothesis on how Al procurement could be more ethical and effective

Co-creating

Key aims of this phase:

 Drafting prototype of the guidelines for AI procurement with the input from a wide variety of

stakeholders

Piloting

Key aims of this phase:

- Testing the guidelines in real-world scenarios
- Iterating and further developing the guidelines to ensure that they are usercentric

Scaling up

Key aims of this phase:

- Governments and public-sector organizations around the world rethink their approach to the public procurement of Al with the help of the Al Procurement in a Box guide and share their insights globally
- FIGURE 2 Challenges to government procurement of AI technologies

Effective use of data

Data and AI skills

Al ecosystems

Legacy culture

Procurement mechanisms

BACK TO THE...PRESENT: PPI and AI NOW





Internationalization, innovation and adaptive leadership

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