How to buy innovation

Why should you buy it

What to lose or....gain

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



Public Administration modernisation,
empowerment
and
economic re-launch

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.

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, well-functioning, 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 Al

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 AI

Key: innovation, efficiency, ethics

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

Establish actionable procurement guidelines

Enable good decision-making





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 Al 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 Al skills

Al ecosystems

Legacy culture

Procurement mechanisms

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





Internationalization, innovation and adaptive leadership

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