**URBAN AGENDA FOR THE EU**

Partnership for Innovative and Responsible Public Procurement

Final Draft ACTION PLAN - ANNEX

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\*\*\* The Pact of Amsterdam states that the Action Plan "can be regarded as non-binding". Therefore, the actions presented in this Action Plan are not compulsory. \*\*\*

Inhoud

[1 ACTION 1 Guidance on building city strategic procurement 3](#_Toc515882542)

[1.1 Introduction 3](#_Toc515882543)

[1.1.1 Objectives 3](#_Toc515882544)

[1.1.2 Methodology 3](#_Toc515882545)

[1.2 Relevant documents found 4](#_Toc515882546)

[1.2.1 General guidance 4](#_Toc515882547)

[1.2.2 Practical guides 6](#_Toc515882548)

[1.2.3 Studies 10](#_Toc515882549)

[1.3 Conclusions 11](#_Toc515882550)

# ACTION 1 Guidance on building city strategic procurement

## Introduction

This is the summary of the desk-based research for evidence in order to substantiate the planning of *Action 1 “**Guidance on building city strategic procurement and how to manage strategic procurement”* which has been outlined in the draft action plan of the Urban Agenda for the EU - Partnership for Innovative and Responsible Public Procurement. The subsequent sections present the objectives of the background research, summarise the methodology followed (the scope of the research, the types of documents sought, the approach to categorising the relevant documents found), and the findings of the exercise.

### Objectives

Action 1 of the Partnership is led by Nantes and Vantaa, and will be implemented with the participation of Haarlem, Preston, Gabrovo, as well as Rijkswaterstaat and URBACT. Its goal is to elaborate a strategic guidance toolkit (possibly combining several media) for politicians in (especially mid-sized and small) cities, decisionmakers in local administration, end-users in the public sector, and public procurement practitioners, which will support them in transforming their public procurement function into a strategic tool contributing to the solving of different economic, environmental and social challenges they face. The guidance on how to build this strategy and how to change management practices would be complemented with the exchange of good practices, dissemination and training activities.

This initial research aimed at verifying the existing gap for such a guidance for cities, underlying the rationale for Action 1, and at supporting subsequent work by collecting useful examples for similar guidance. The objectives for the evidence-gathering exercise were therefore:

* to check whether a guidance or toolkit supporting the strategy development and organisational transformation, and targeted at cities and the specific challenges they face, already exists; and
* to gather documents that could be useful in shaping the Partnership’s proposed strategic guidance.

### Methodology

To collect the necessary evidence for Action 1, a desk-based research for guidance documents on strategic aspects of public procurement (focussing on sustainability, social responsibility and innovation) was undertaken. Notably, the following methodology was applied:

* Relevant guidance documents from Europe were identified by Google search, conducted in several European languages. In addition, references to source material were screened in documents already gathered. The emphasis was put in finding, on one hand, the most widely used, authoritative and recent guides on strategic aspects of public procurement, and those which discuss organisational transformation, strategy, skills and resources needed on the other hand.
* Key data on the documents - title, publisher or author, year of publication, language, volume, web link - were recorded in an Excel database. Furthermore, the documents were also categorised according to their type. The database is available in a separate file.
* The outcomes of the search were written up in this Annex. The material found is grouped under the category of the document.

The mapping has covered documents concerning both the national and EU level. The search terms were entered in English, French, German, Dutch, Danish, Italian, Spanish and Swedish. As the mapping aimed at collecting up-to-date information, more recent documents had priority. Also, the mapping tried to identify guidance specifically written for cities. The outcomes of the desk-based research are summarised in the subsequent section.

## Relevant documents found

The desk-based research has found and categorised 81 relevant guidance documents. The large majority of these documents have been written in English, while a few are in German, French, Spanish, Swedish, Danish, Dutch and Italian. The documents differ substantially in size and scope, with a length being typically between 20 to 200 pages, and whether and to what extent they cover public procurement procedures and related issues, new organisational strategies, new processes, resource needs and tools.

Many of the shorter guides have been written for politicians, decisionmakers and other non-technical audiences, while the target audience for the longer, more detailed ones are more likely the practitioners. The mapping has also included some documents targeted at bidders, interest groups or the wider public.

Following the data collection, the documents were grouped in the following three categories:

* General guidance
* Practical guides
* Studies

The guidance mapped are presented grouped under these individual categories.

### General guidance

The category ‘general guidance’ contains documents that provide a general introduction to the consideration of strategic aspects in public procurement – notably: innovation, sustainability, social responsibility in this mapping exercise (occasionally multiple are covered).

Some of the guides are relatively short documents intended to explain concepts, to interpret the legal provisions, to present the opportunities and their benefits - with politicians, decision-makers, bidders, stakeholders interested in strategic aspects of procurement as their target audience. More detailed guides may also give practical advice (and showcasing successful examples), present tools and methods and outline what needs to be changed in the public procurement function. But these guides have not been specifically designed to work as practical step-by-step guides.

The majority of the guides identified are concerned with the EU level, but the list also contains documents from the national and even sub-national levels.

The documents collected (listed in the table below) includes on guide from outside the EU (‘Procuring Green in the Public Sector: A Checklist for Getting Started’ from the International Institute for Sustainable Development), and four recent guidance documents from the European Commission (two more detailed ones on procuring innovation, one introductory guide on Green Public Procurement for NGOs, and one short guide on public procurement for smart cities). All these guides discuss concepts, risk, solutions and tools. The more detailed innovation procurement guides explain what steps to take and advise on the necessary organisational goalsetting. The target audience includes policymakers, as well as the guide ‘Growing social innovation. A guide for policy makers’ published by the research collaboration TEPSIE (Theoretical, Empirical and Policy Foundations for Social Innovation in Europe), which explicitly refers to this group.

ICLEI as member of the smart SPP consortium has published a report (‘Working with the markets to produce sustainable solutions’) which presents case studies informing procurers about good practice. The Nordic Innovation Centre has published a short guide on innovation procurement, regarded more as introductory material than a detailed guidance. The report of the Nordic Council of Ministers on ‘Health innovation in the Nordic countries’ is more detailed but it does not exclusively discuss innovation procurement. A report prepared by achACT and écoconso of France offer an introduction for decisionmakers and the wider public on sustainable and socially responsible procurement.

A non-exhaustive collection of national guides has been compiled, covering the UK, Germany, Luxembourg and Italy. The UK guides are shorter introductory documents for decisionmakers and other interested stakeholders, although the guidance ‘Capturing innovation. Nurturing suppliers’ ideas in the public sector’ is interesting from the perspective that it discusses strategy building and organisational aspects as well. On the other hand, the German, Luxembourgish, and Italian documents are more detailed - covering the steps, risks, solutions, tools – and are useful also for practitioners. The ‘Konzepzion einer innovativen öffentlichen Beschaffung’ paper also addresses a set of strategic and organisational issues.

The two last example guides from the city of Barcelona and the construction association from Niedersachsen and Bremen have been conceived specifically for cities.

Table General guidance to strategic aspects in procurement mapped

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Level** | **Country** | **Publisher** | **Title** | **Year** | **Language** | **Pages** |
| Global |  | IISD | Procuring Green in the Public Sector: A Checklist for Getting Started | 2010 | English | 18 |
| EU |  | European Commission | Public Procurement as a Driver of Innovation in SMEs and Public Services | 2015 | English | 56 |
| EU |  | European Commission | Guidance on Innovation Procurement | 2018 | English | 47 |
| EU |  | European Commission | Green Public Procurement - A Guide for NGOs | 2016 | English | 16 |
| EU |  | European Commission | Smart cities. Public procurement for smart cities | 2013 | English | 16 |
| EU |  | tepsie | Growing social innovation. A guide for policy makers | 2015 | English | 30 |
| EU |  | The smart SPP consortium, ICLEI | Working with the markets to produce sustainable solutions | 2011 | English | 36 |
| EU |  | Nordic Innovation Centre | How public procurement can stimulate innovative services | 2011 | English | 27 |
| EU |  | Nordic Council of Ministers | Health innovation in the Nordic countries | 2010 | English | 64 |
| EU |  | achACT, écoconso | Mode d’emploi de l’achat public écologique et socialement responsable | 2012 | French | 40 |
| Nat | UK | Office of government commerce | Capturing innovation. Nurturing suppliers’ ideas in the public sector | 2004 | English | 14 |
| Nat | UK | Office of government commerce | Driving innovation through public procurement | 2009 | English | 24 |
| Nat | DE | KOINNO | Impulse für mehr Innovationen im öffentlichen Beschaffungswesen | 2014 | German | 56 |
| Nat | DE | KOINNO | Innovative öffentliche Beschaffung | 2017 | German | 48 |
| Nat | DE | BME Verband | Konzepzion einer innovativen öffentlichen Beschaffung | 2016 | German | 70 |
| Nat | LU | National Agency for Innovation and Research | Guide promouvoir les solutions innovantes à travers les marchés publics | 2015 | French | 56 |
| Nat | IT | Sistema Nazionale per la protezione de l’Ambiente | Linee Guida. Green procurement (GPP) del Sistema Ageniziales | 2017 | Italian | 68 |
| Nat | ES | Ajuntament de Barcelona | Guide on Innovative Public Procurement | 2017 | English | 30 |
| Nat | DE | Bauindustrieverband Niedersachsen-Bremen | Innovative Beschaffungsformen von kommunalen Straßenbauleistungen | 2015 | German | 38 |

### Practical guides

The second set of guidance documents are geared towards giving practical advice on what and how to do - sharing the know-how, highlighting tools and solutions, often with examples. Some of the practical guides mapped are shorter, introductory step-by-step guidance documents which are targeting decisionmakers, and other non-technical audiences, but the majority provide sufficient detail to be useful for practitioners.

The guides are typically designed to explain how to build new strategies and transform the public procurement function of authorities and other procurers in order to be in line with sustainability or social responsibility principles and/or better catering for their various needs and objectives, including the fostering more effective and efficient innovative solutions. Some have been written for strategic procurement in specific sectors, and some have been specifically designed for cities.

The list of documents compiled features a global-level practical guide developed by UN agencies (‘Buying for a better world. A guide on sustainable procurement for the UN system’), four guides from European Commission (two on green procurement, one on socially responsible procurement and one on procurement of innovation), the shorter ‘Guidance for public authorities on Public Procurement of Innovation’ and the more detailed Procura+ manual developed by ICLEI. A useful source for the guidance is Eafip’s PPI Toolkit (Modules 1 and 2), which has been conceived to work as a practical guide for procurers on how to transform towards a public procurement system that can effectively procure innovation.

Furthermore, practical topical guides at the EU level were identified concerning risk management in procurement (notably the procurement of innovation), the prevention of plastic waste, or the use of environmental management systems (EMS) And ecolabels, as well as guides for specific sectors (construction, water, automotive fleets management, ICT).

There is also a large number of practical guides at national level, covering all three main strategic aspects under public procurement (sustainability, social responsibility, innovation). Examples identified in the data collection exercise include documents from Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Spain, Sweden and the UK (including Northern Ireland). Furthermore, a guide developed in conjunction with a EU-cofunded PPI project from Norway has also been added.

Table Practical guides to strategic aspects in procurement mapped

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Level** | **Country** | **Publisher** | **Title** | **Year** | **Language** | **Pages** |
| Global |  | UNEP, UNOPS, ILO, ITC ILO | Buying for a better world. A guide on sustainable procurement for the UN system | 2011 | English | 76 |
| EU |  | European Commission | Buying green! A handbook on green public procurement (3rd edition) | 2016 | English | 80 |
| EU |  | European Commission | Green Public Procurement. A collection of good practices | 2012 | English | 30 |
| EU |  | European Commission | Guide on dealing with innovative solutions in public procurement. 10 elements of good practice | 2007 | English | 32 |
| EU |  | European Commission | Buying social: A guide to taking account of social considerations in public procurement | 2010 | English | 56 |
| EU |  | Procurement of Innovation Platform (ICLEI) | Guidance for public authorities on Public Procurement of Innovation | 2015 | English | 40 |
| EU |  | ICLEI | Procura+ Manual (3rd edition) | 2016 | English | 108 |
| EU |  | EAFIP | eafip Toolkit - Module 1 | 2016 | English | 37 |
| EU |  | EAFIP | eafip Toolkit - Module 2 | 2016 | English | 211 |
| EU |  | PAPIRUS | How to implement public procurement of innovation. Lessons learned from the PAPIRUS project | 2015 | English | 46 |
| EU |  | pro EE-Public Procurement boosts Energy Efficiency | Joint green procurement. A guide for public authorities | 2009 | English | 47 |
| EU |  | Social Platform | Public procurement for social progress. A social platform guide to the EU public procurement directive | 2015 | English | 29 |
| EU |  | WEED, ICLEI, IMVF, SETEM Catalunya | Good practice in socially responsible public procurement | 2012 | English | 32 |
| EU |  | Procurement for Innovation Platform | Introduction to risk management in the public procurement for innovation | 2013 | English | 14 |
| EU |  | Nordic Council of Ministers | Nordic Guideline-Green Public Procurement. How to use environmental management systems and ecolabels in EU tenders | 2017 | English | 40 |
| EU |  | ICLEI | RESPIRO Guide on socially responsible procurement of building construction works | 2007 | English | 22 |
| EU |  | Water PiPP Consortium | How-to guide for implementation of innovation oriented procurement | 2015 | English | 16 |
| EU |  | Clean Fleets Project | Procuring clean and efficient road vehicles - A clean fleets guide | 2014 | English | 36 |
| EU |  | Plastic ZERO-Public private cooperations for avoiding plastic aș a waste | Green public procurement manual on plastic waste prevention | 2014 | English | 19 |
| EU |  | WEED | Socially Responsible ITC-Procurement | 2015 | English | 96 |
| Nat | AT | Austrian Institute of Technology | Innovationsfördernde öffentliche Beschaffung Innovationspolitische Optionen | 2009 | German | 28 |
| Nat | AT | procure-inno | Praxisorientierter Leitfaden für ein innovationsförderndes öffentliches Beschaffungs- und Vergabewesen | 2007 | German | 72 |
| Nat | BE | Secretaire d’Etat a l’Energie et au Developpement Durable | Guide for sustainable procurement (notes on individual goods and services) | 2008 | Dutch |  |
| Nat | DE | Bundesministerium für Wirtschaft und Arbeit | Praxisorientierter Leitfaden für ein innovationsförderndes öffentliches Beschaffungs- und Vergabewesen | 2007 | German | 72 |
| Nat | DE | BME Verband | Strategischer Einkauf Krankenhaus | 2016 | German | 88 |
| Nat | DE | Deutscher Städtetag | Die Berücksichtigung sozialer Belange im Vergaberecht - Hinweise für die kommunale Praxis | 2010 | German | 33 |
| Nat | DE | BME Verband | Strategische Energieeinkauf | 2014 | German | 94 |
| Nat | DK | The Competition Authority, Ministry of the Environment | Public green shopping - A guide to the options to take environmental considerations in connection with the offering of tenders | 2002 | Danish | 18 |
| Nat | DK | ICLEI | Success stories in socially responsible public procurement. Using public spending to drive improvements for workers în global supply chains | 2014 | English | 48 |
| Nat | ES | Ihobe | Manual práctico de compra y contratación pública verde | 2010 | Spanish | 478 |
| Nat | ES | Xunta de Galicia | Guía de buenas prácticas para favorecer la contratación pública de innovación en GALICIA | 2015 | Spanish | 143 |
| Nat | ES | Ajuntament Barcelona | Innovative public procurement guide | 2017 | English | 30 |
| Nat | ES | Asociación para la sostenibilidad y el progreso de las sociedades | [Contratación y compra pública sostenible e innovadora](http://www.conama.org/conama/download/files/conama2016/GTs%202016/6_final.pdf) | 2016 | Spanish | 53 |
| Nat | FI | Ministry of Economic Affairs and Employment of Finland | Guide to socially responsible public procurement | 2017 | English | 56 |
| Nat | FR | Région Auvergne – Rhône-Alpes, Président de Rhônalpénergie-Environnement | Commande publique durable - Guide méthodologique et fiches pratiques | 2016 | French | 96 |
| Nat | FR | Silver Eco | Guide des bonnes pratiques d’achat public | 2016 | French | 36 |
| Nat | FR | Pacte PME | Guide de bonnes pratiques en innovation ouverte | 2016 | French | 36 |
| Nat | FR | Ministère de l'Economie et des Finances | Guide pratique de l’achat public innovant | 2014 | French | 45 |
| Nat | FR | Sciences Po Lille | L’innovation dans la commande publique | 2016 | French | 146 |
| Nat | FR | [Comité National de Liaison des Régies de Quartier](https://hubess.fr/reseau/comite-national-de-liaison-des-regies-de-quartier-cnlrq) | Guide pour une politique d'achat socialement responsable | 2011 | French | 113 |
| Nat | IE | Department of enterprise, trade & employment | Buying innovation. The 10 Step Guide to SMART procurement and SME Acces to public contracts | 2009 | English | 28 |
| Nat | NO | INNOBUILD project | Innovation step by step. An implementation guide for public procurement of innovation | 2013 | English | 32 |
| Nat | SE | County Councils and regions în Sweden | Hållbar upphandling | 2017 | Swedish | 30 |
| Nat | SE | County Councils and regions în Sweden | Vägledning kontraktsvillkor | 2013 | English | 4 |
| Nat | UK | Equality and human rights commission | Buying better outcomes. Mainstreaming equality considerations in procurement. A guide for public authorities in England | 2013 | English | 26 |
| Nat | UK | Enviromental Protection Agency | Green procurement. Guidance for the public sector | 2014 | English | 190 |
| Nat | UK | Northern Ireland and Human Rights Commission | Public procurement and human rights | 2013 | English | 52 |
| Nat | UK | Investment Strategy Northern Ireland | Delivering social benefits through public procurement: a toolkit | 2010 | English | 56 |
| Nat | UK | The strategic investment board | Buy social. A practical guide to socially responsible public procurement | 2016 | English | 68 |
| Nat | UK | Department for innovation, Universities & Skills | Finding and procuring innovative solutions. Evidence-based practical approaches | 2006 | English | 77 |
| Nat | UK | The London Universities Purchasing Consortium, the University of Greenwich and the Chartered Insitute of procurement | Protecting human rights in the supply chain. A guide for public procurement | 2017 | English | 32 |

### Studies

The third category of documents comprises of stocktaking or analytical studies on approaches and methods used for strategic aspects of procurement in Europe. These studies may furnish useful evidence on what strategies, approaches and activities bring value to cities in the transformation process, supporting the compilation of the proposed guidance under Action 1.

A small number of interesting examples were selected in the mapping. These include – at the EU level - three studies on methods and tools used in the public procurement of innovation (‘Public Procurement for Innovation in Small European Countries’ from Eraprism, ‘Anwendung von Werkzeugen der innovativen öffentlichen Beschaffung in der Praxis’ from KOINNO, and ‘Policy instrument for public procurement on innovation. Choice, design and assessment’), two studies on strategies for specific procedures and instruments (Pre commercial procurement, procurement of innovative solutions and innovation partnerships; as well as the competitive dialogue), and one on risk management practices in Nordic- Baltic Sea cities.

The studies at national level - from Germany, Sweden and the UK – address sustainability, socially responsible procurement, and innovation. One of them (‘Kommunale Beschaffung im Umbruch’) is a strategic overview of the changes in the procurement approaches of cities, and one from the UK (‘Transform project report - Demand Side Measures in Practice for Environmentally Friendly Vehicles’) offers a good insight into practical issues with green procurement of vehicles.

Table Selected books and studies

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Level** | **Country** | **Publisher** | **Title** | **Year** | **Language** | **Pages** |
| EU |  | Eraprism | Public Procurement for Innovation  in Small European Countries | 2010 | English | 42 |
| EU |  | KOINNO | Anwendung von Werkzeugen der innovativen öffentlichen Beschaffung in der Praxis: Eine Analyse der TED-Datenbank | 2017 | German | 145 |
| EU |  | Luke Gheorghiu, Jakob Edler, Elvira Uyarra, Jillian Yeow | Policy instrument for public procurement on innovation. Choice, design and assessment | 2014 | English | 12 |
| EU |  | Elisabetta Iossa, Federico Biagi, Paola Valbonesi | Pre commercial procurement, procurement of innovative solutions and innovation partnerships in the EU: rationale and strategy | 2017 | English |  |
| EU |  | Published by Elsevier Ltd. | Competitive Dialogue: Driving Innovation Through Procurement? | 2015 | English | 8 |
| EU |  | Tarmo Kalvet Ph.D. and Veiko Lember Ph.D. | Risk management in public procurement for innovation: the case of Nordic-Baltic Sea cities | 2011 | English | 31 |
| Nat | DE | Wegweiser GmbH | Einkäufer Staat als Innovationstreiber | 2009 | German | 213 |
| Nat | DE | KPMG | Kommunale Beschaffung im Umbruch | 2013 | German | 40 |
| Nat | SE | National Agency for public procurement | Mapping initiatives for ethical public procurement in Europe | 2017 | Swedish | 122 |
| Nat | UK | Envision | Fostering Innovation Through Public Procurement - a research study | 2014 | English | 40 |
| Nat | UK | cenex | Transform project report - Demand Side Measures in Practice for Environmentally Friendly Vehicles | 2014 | English | 53 |

## Conclusions

The collection of existing strategic and practical guides in Europe on strategic aspects of public procurement shows that there is a good amount of useful source material, but at the same time that there is no up-to-date authoritative guide specifically for cities on how to transform public procurement in cities to a more strategic approach, covering sustainable and innovative procurement (and possibly socially responsible), with sufficient level of detail for practitioners, and discussing also methods, tools and resource needs.

Most of the guides have a separate discussion of the strategic considerations, derived from the legal possibilities, presenting benefits, approaches, methods. The likely content for the proposed guidance should be overall well covered by the different guides in combination

* Benefits of strategic PP (innovation, sustainability…)
* Basic concepts for a strategic procurement function
* Legal background (EU and national)
* Summary of the process
* Short showcases
* Responsible organisations, national/local contacts

Gaps in most of the documents (but not all!) seem to be around: further practical details on the content of a public procurement strategy and how to develop it; guidance on necessary organisational transformation, on communication/marketing; information on resource needs and staff competences, tools; and the appropriate monitoring/measurement methods.

The target groups involve politicians and decisionmakers at cities, and various non-technical stakeholders (including bidders, public sector workers, interest groups) and the wider public for shorter guides, and practitioners in the cities and external public procurement advisors for longer, more detailed guides.

A number of guides - the Procura+ manual, the EAFIP toolkit or the Austrian procure-inno guide- have a good structure and take a suitable practical approach. The outline of the latter is as follows:

* Introduction (objectives, target groups, use of the guide, background to PPI)
* Concepts and definitions (processes and context, functional requirements, links to grants/subsidies, innovation in procurement)
* Innovation culture and framework requirements (legal possibilities, procurement models, barriers, creating a supportive framework, PPPs, drivers for innovation in public procurement)
* The innovative procurement model (strategy, know-how and skills, communication and early market engagement, risk management, resources, innovation culture)
* Potentials for innovation in the national legal framework (procedures for PPI, specific instruments, R&D services)
* Implementation measures (development of procurement strategies, standards and norms, support measures, awareness raising, reporting, marketing initiatives, incentives -- preparations, selection of procedure, preparing the tender documentation, aggregation of demand, sharing experience, training)