

UNDERSTANDING THE PCP/PPI SCHEME IN HORIZON 2020

Tuesday, 12th May 2015



FFG

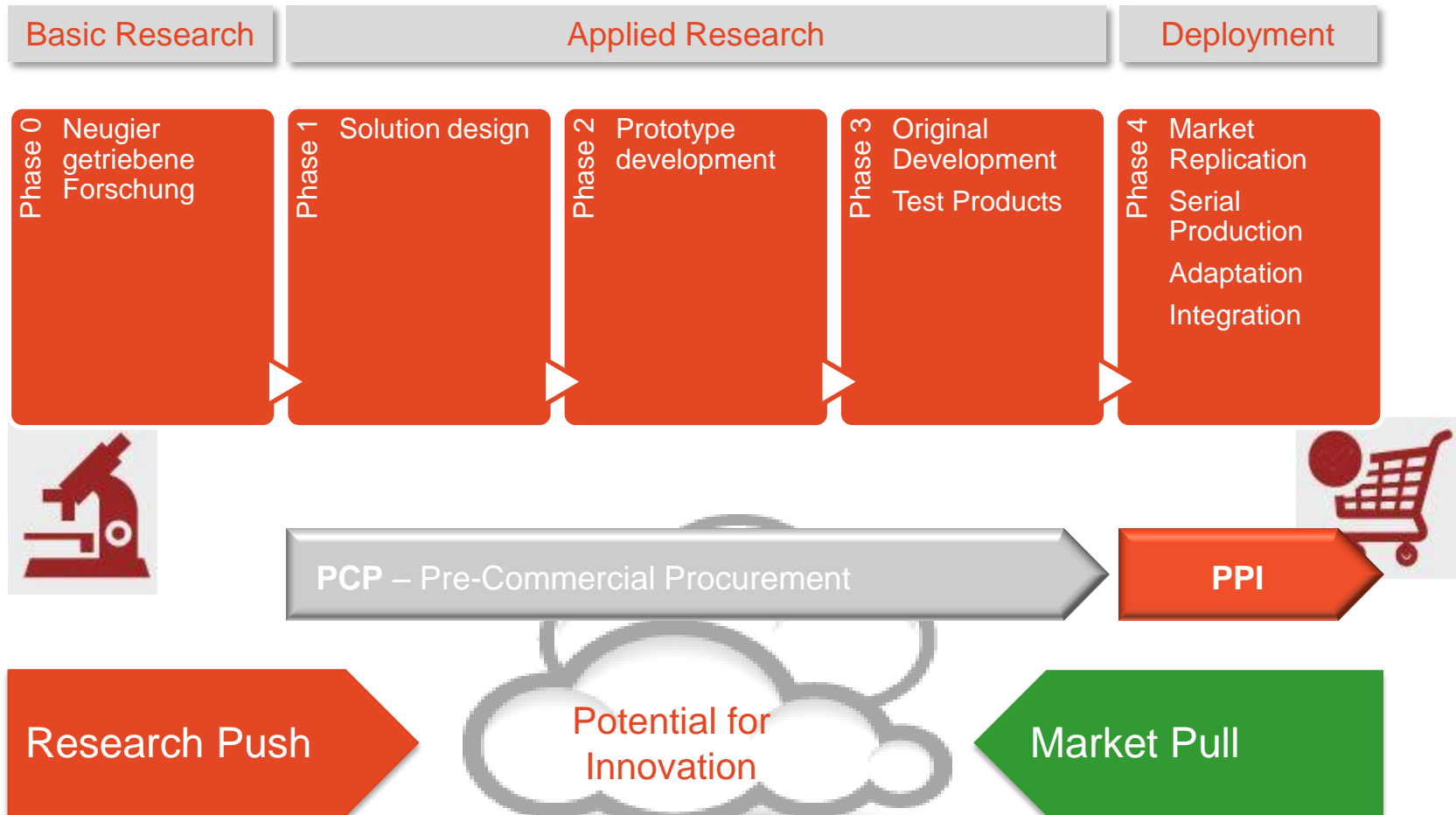


INNOVATION PROCUREMENT - MOTIVATION



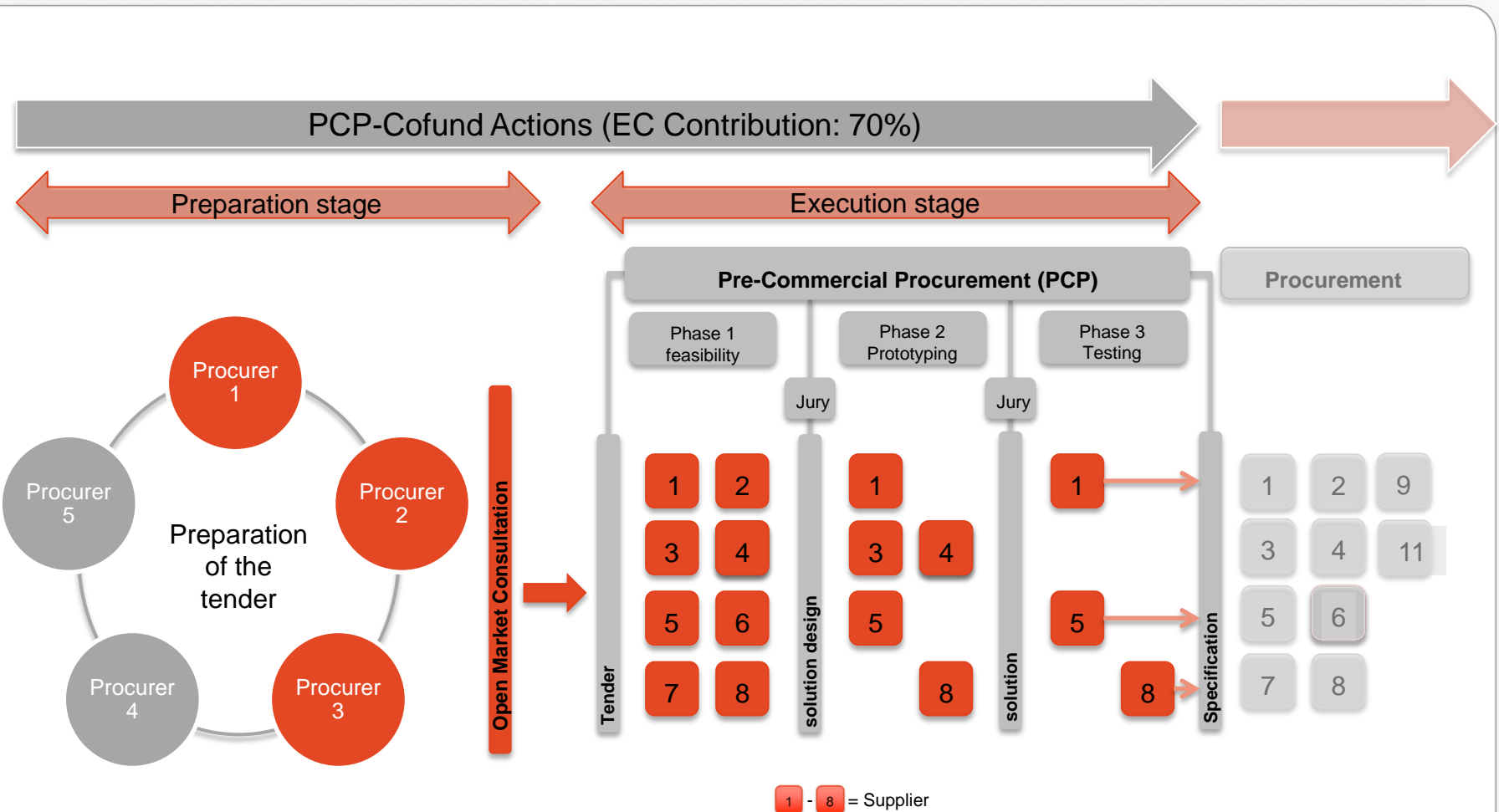
- The public sector has to tackle relevant societal challenges.
- The quality and efficiency of public services has to be improved.
- Innovation Procurement is providing new markets for research and industry, thus creating growth and jobs in Europe.
- The potential is not exhausted in the EU due to fragmentation of demand and lack of incentives .

FROM IDEA TO MARKET



- procurement of research and development of new innovative solutions before they are commercially available
- risks and benefits are shared between the procurers and the suppliers under market conditions
- procurers buy the R&D from several competing R&D providers in parallel, and then compare and identify the best solutions
- R&D is split into phases: solution design, prototyping, original development and validation/testing

SCHEME PCP-COFUND ACTION



PCP CONDITIONS



- min. 3 independent partners from different MC or AC, of which 2 public procurers
- Grant Agreement between Buyers Group and European Commission
- Publication in Official Journal **and via NCP networks**
- Potential suppliers may not be involved in the PCP tendering phase and have no other type of conflict of interest
- min 3 different solution designs in Phase 1 (feasibility study)

EC CONTRIBUTION PCP-COFUND



- **Direct Costs of PCP subcontracting (A)**
- **Direct Costs for Coordination and Networking (B)**
- **Indirect Costs: 25 % of total direct costs for coordination and networking**

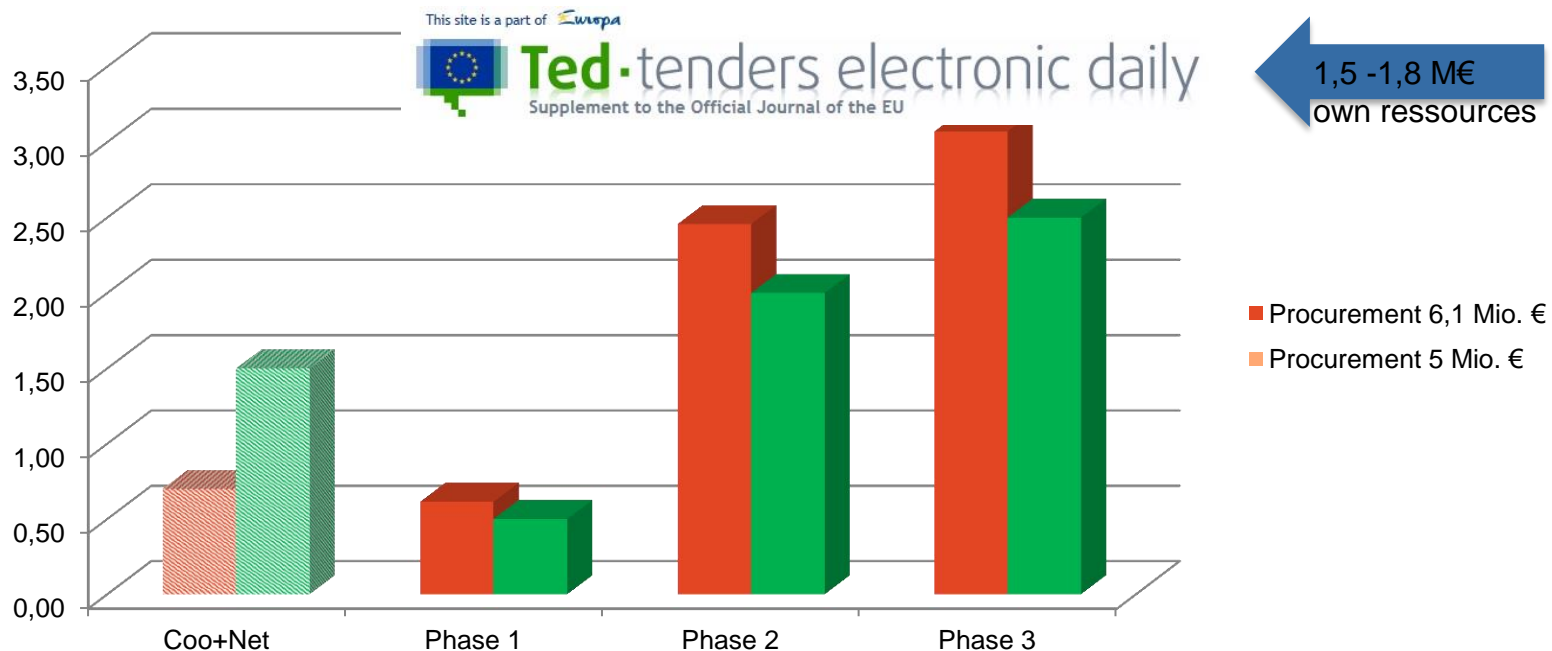
Cofunding: 70 %

Coordination/Networking	Subcontracting	Indir. Kosten	Total	Reimbursement Rate	EC Contribution
100 €	300 €	25 €	425 €	70 %	297,5 €

FINANCIAL EXAMPLE PCP-COFUND

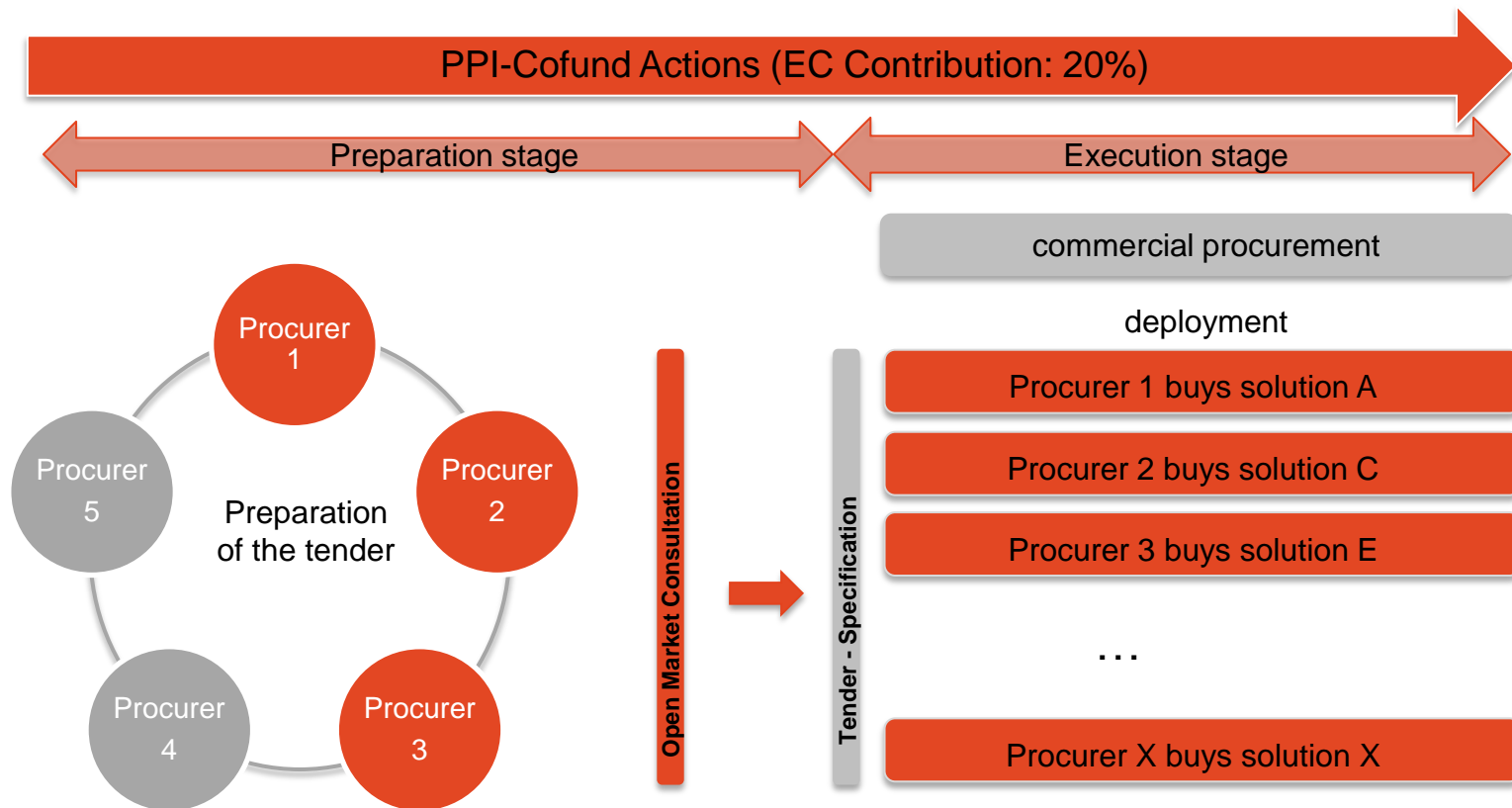
Example: 5 Mio. € PCP Cofund Grant

- EC Contribution: 0,7 Mio. € Coord./Networking + 4,3 Mio. € PCP (Subcontracting of 6,1 Mio. €)
- EC Contribution: max. 1,5 Mio. € Coord./Networking + 3,5 Mio. € PCP (Subcontracting of 5 Mio. €)



- solution which is almost on the market or already on the market in small quantity but not meeting public sector requirements for large scale deployment yet
- Public sector acts as launching customer / early adopter / first buyer
- Public sector acts as facilitator establishing a buyers group with critical mass that triggers industry to scale up its production

SCHEME PPI-COFUND ACTION



- min. 3 independent partners from different MC or AC, of which 2 public procurers
- Grant Agreement between Buyers Group and European Commission
- Publication in Official Journal **and via NCP networks**
- Potential suppliers may not be involved in the PCP tendering phase and have no other type of conflict of interest
- Selection of different solution possible
- Best value for money award criteria

EC CONTRIBUTION PPI-COFUND



- **Direct Costs of PPI subcontracting (A)**
- **Direct Costs for Coordination and Networking (B)**
- **Indirect Costs: 25 % of total direct costs for coordination and networking**

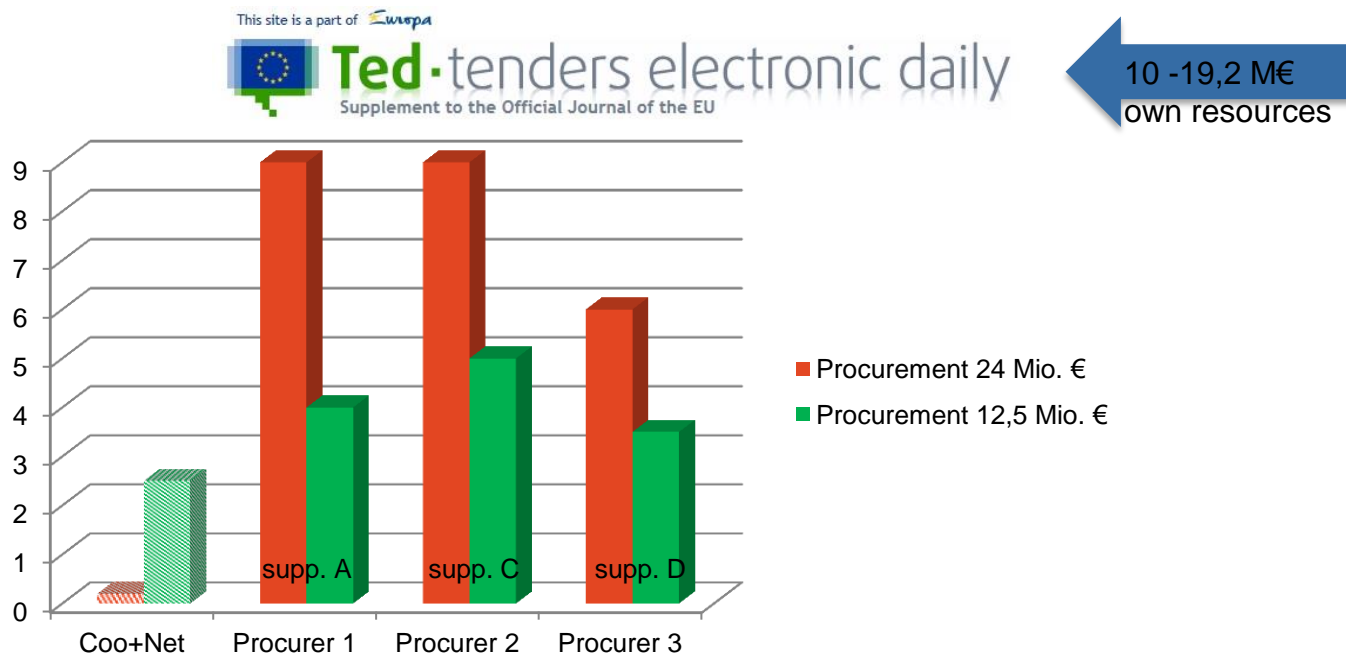
Cofunding 20 %

Koordinierung/Support	Beschaffung	Indir. Kosten	Gesamt	Förderquote	Förderung
100 €	200 €	25 €	325 €	20 %	65 €

FINANCIAL EXAMPLE PPI-COFUND

Example: 5 Mio. € PPI Cofund Grant

- EC Contribution: 0,2 Mio. € Coord./Networking + 4,8 Mio. € PPI (Subcontracting of 24 Mio. €)
- EC Contribution: max. 2,5 Mio. € Coord./Networking + 2,5 Mio. € PCP (Subcontracting of 12,5 Mio. €)



PCP/PPI ROLES



Beneficiaries and third parties

- Action contains beneficiaries that undertaken together the PCP or PPI procurement, the buyers group & the lead procurer.
- Third parties (e.g. end-users such as fire brigade) putting resources (e.g. test sites, testers) at the disposal of the beneficiaries (e.g. the ministry of internal affairs that is the procurer for the fire brigades) to carry out the action.

Buyers group

- Procurers in the action that provide the financial commitments to undertake the PCP or PPI procurement.
- Min 2 public procurers from 2 different Member States or associated countries

Lead procurer

- Procurer appointed by buyers group to lead and coordinate the PCP or PPI procurement.

Subcontractors

- Successful tenderers, selected by the buyers group & lead procurer as result of the PCP or PPI call for tender, to provide the R&D services (PCP) or innovative solutions (PPI).

FURTHER INFORMATION



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

http://ec.europa.eu/research/participants/docs/h2020-funding-guide/cross-cutting-issues/innovation-procurement_en.htm

http://cordis.europa.eu/fp7/ict/pcp/home_en.html

<http://www.innovation-procurement.org/>

<http://www.ffg.at/Beschaffung>

