

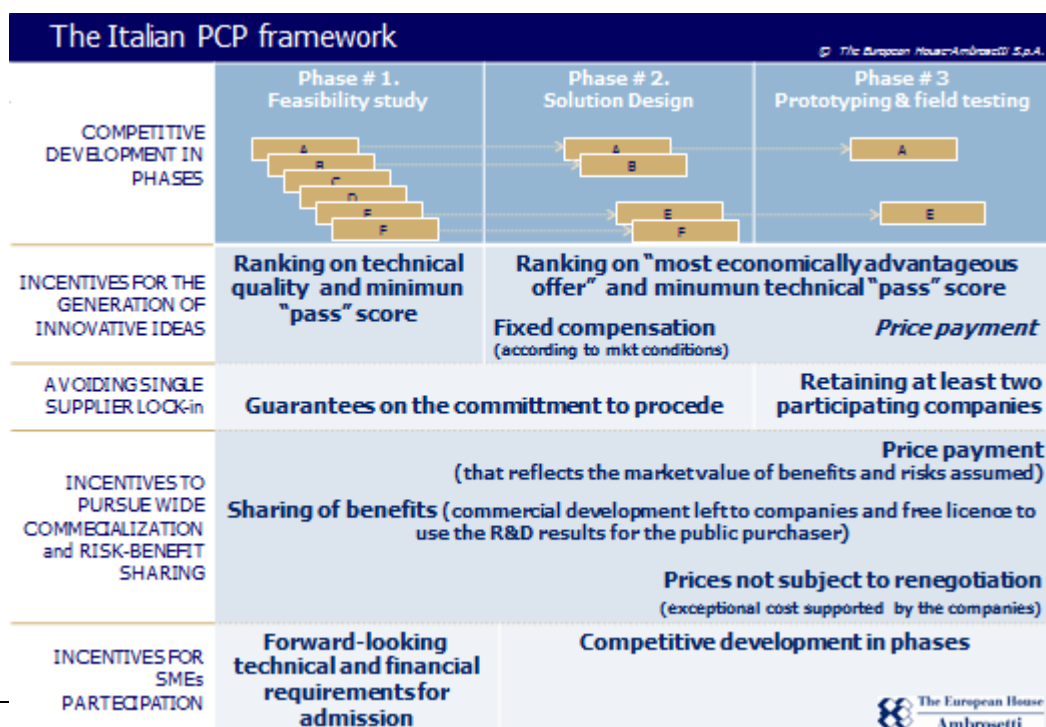
PCP related initiatives in Italy

I. Anchoring PCP in the political context

The delineation of the framework for carrying out PCP in Italy started in 2007, following the EC's definition of the PCP concept and having activated a pragmatic discussion with the public and private sector in Italy to develop a knowledge base about possible implementation scenarios.

PCP and public procurement of innovative solutions (PPI) was included as an objective under the national strategy for research and innovation and the law defining the priorities of the Italian Digital Agenda¹. November 2012 Italy's decree-law on 'further urgent measures for the country's growth' has set aside €170 M for the newly created Italian digital agenda agency to carry out PCPs in the context of large research and innovation projects. The initiative is supported by the Italian ministry for research (MIUR), the Italian ministry of economy (MISE), the EU Structural Funds, possibly combined in addition with Risk Sharing Finance Facility support from the EIB (European Investment Bank). For more info see section VII, article 19 of the decree-law². After a call for ideas for potential topics for PCPs from the 4 Italian convergence regions involved (Puglia, Calabria, Campania and Cantabria) 42 of those projects have been selected (for a total of 70Mio)³.

The national guideline on PCP promoted by the Public Administration Digitalization and Technological Innovation Department has been adopted by the MIUR (Ministry for University and Research) as a priority policy within the broader reform plan of incentives for applied research and innovation. The Guideline offers a guidance and ensure flexibility to contracting authorities and businesses (in particular SMEs) to implement pre-commercial procurement in a win-win and risks & benefits sharing perspective⁴.



¹ http://www.governo.it/GovernoInforma/Dossier/dossier_misur_stagionali_2012/20120707_D_05.pdf

² http://www.ilsole24ore.com/pdf2010/SoleOnline5/Oggetti_Correlati/Documenti/Norme%20e%20Tributi/2012/10/decreto-legge-misure-urgenti-crescita.pdf?uuid=ea7b9d5a-1085-11e2-b3c9-81c594b5c6d4

³ <http://www.sviluppoeconomico.gov.it/index.php/it/incentivi/impresa/innovazione-pa-regioni-convergenza>

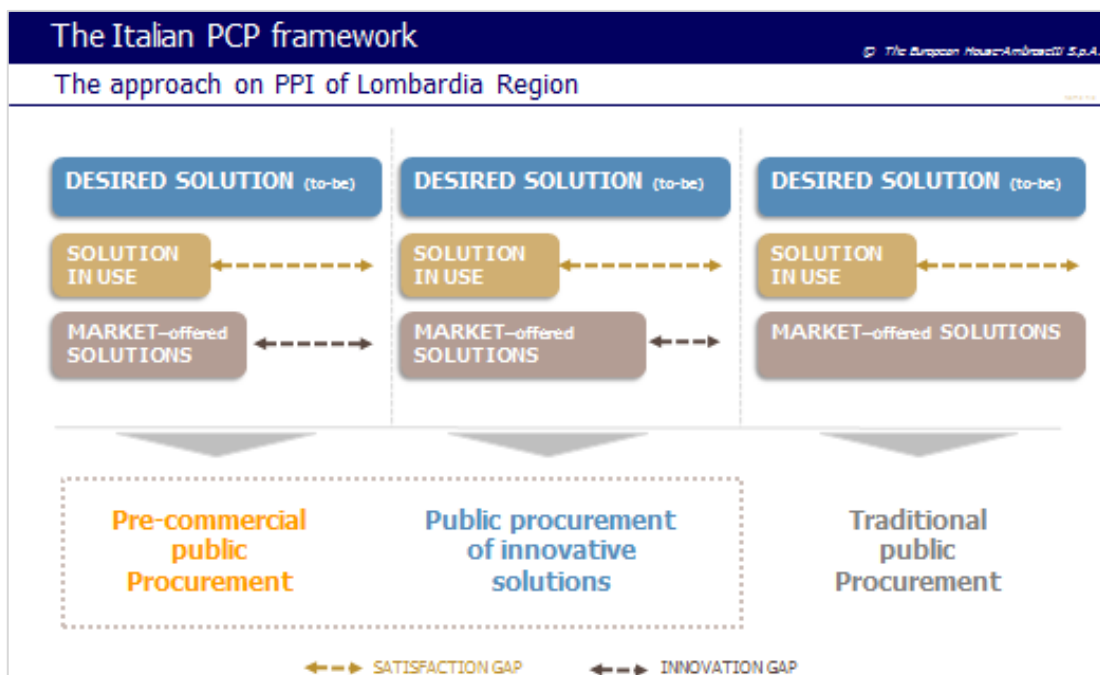
⁴ Extracts from presentation: *The Italian progressing framework: national and regional approaches to PP*, Dr.ssa Sara Bedin, Turin, 28 June, 2011 <http://www.comune.torino.it/re/Int/PPI/pdf/SaraBed.pdf>

The guideline has been defined on the need for legal contextualization within the existing regulations and exemption from procurement Directives, in order to assure that the framework for implementation of PCP in Italy is compliant with how PCP was defined in the EC's PCP communication, as an R&D services procurement approach compliant with competition rules without constituting State Aid.

II. PCP experiences in Italy

The first concrete experience following the above Italian guideline for PCP implementation, with the support of The European House – Ambrosetti, is from Lombardia Region (Strategic Planning – University and Research Directorate). This Directorate is addressing innovation needs in a major spending domain, health-care (that represent the 80% of regional expenditure), with a PCP policy. Lombardia Region has identified⁵ the Niguarda Hospital as pilot public procurer that has mid to long term needs for new technological developments and is interested to purchase those via PCP.

In April 23rd 2012 a technical dialogue⁶ was started with industry and research organisations to inform them about the new PCP procedure, to identify possible gaps between the procurers' needs and the state-of-the-art of industrial developments. The Lombardia Region and Niguarda Hospital evaluated the results of the technical dialogue and deepened their understanding of the state-of-the-art of industrial developments. The technical dialogue confirmed that an innovation gap existed and R&D was needed. A PCP call for tender⁷ was published in the OJEU setting out what was needed from the desired innovation, in terms of function, characteristics and performance requirements.



⁵<http://www.%20appalt>

⁶<http://www.industria.regione.lombardia.it/shared/ccurl/921/421/Decreto%202929%20del%204%20aprile%202012%20%20appalto%20precommerciale.PDF>

⁷http://www.arca.regione.lombardia.it/shared/ccurl/497/198/ARCA_2013_02_Disciplinare.pdf

The PCP conducted in collaboration by Niguarda hospital, Lombardy region and the regional purchasing agency (ARCA) address the problem of the long transport times and the high rate of accidents and functional limitations of socio-health workers tasked with moving, via manual pushing and pulling, the hospital beds. At the same time the PCP aims to reduce the cost of solutions by opening up the market to new innovative providers that were not able so far to enter this highly concentrated supplier segment. The PCP also encourages the development of more sustainable / environmentally friendly solutions by comparing alternative solutions based on their life-cycle-cost.

The PCP is challenging suppliers to develop the best possible new and cost-effective automated universal medical device for moving hospital beds (and possibly also gurneys), that is easy to use and to manoeuvre for a single operator, equipped with all anti-collision and safety systems, reduced in size, which does not need tracks or guide lines and which can also be used on non rectilinear routes and in all hospital spaces (rooms, lifts, corridors and diagnostic ward spaces), which result in a significant advance in terms of technology and performance and, at the same time, cost reduction.

The PCP is implemented as a multiple-sourcing procurement of R&D services involving risk-benefit sharing with a competitive procedure in phases (phase 1: feasibility study; phase 2: solution design; phase 3: prototyping & field testing). The PCP works with 6 suppliers in phase 1, 4 in phase 2 and 2 in phase 3. The PCP started end 2013 and is expected to finish spring 2014. The PCP is successfully enabling new innovative players (mainly SMEs) to become active in this field and bring new solutions to the market. Savings of at least 40% are expected through increased efficiency of hospital operations, reduction in accidents and lower cost, higher sustainability of the solutions. The multiplier effect of the impacts is considerable as there are roughly 40000 hospital beds in Lombardy alone. Presentation⁸ about the September 2014 state of play of the PCP.

The aim of the PCP procedure is to acquire the knowledge to ultimately identify the best technical solutions able to meet the performance requirements at an appropriate cost on the whole product life-cycle (from purchasing, to use, maintenance and disposal phases) and demonstrate certifiability as clinical devices for mass market deployment.

As PCP program is a dual policy to increase the long-term efficiency, quality and sustainability of public services and, at the same time, the industry's competitive and innovative performance. Therefore the aim for Lombardia Region is also to broadening participation of SMEs, new businesses and also non-traditional vendors to develop innovative solutions to public problem.

After the PCP phase, it is expected that the Niguarda and other public and private hospitals will run follow-up PPI procurement to buy the first innovative end-products or also larger commercial volumes of new solutions, according with the procurement directives.

The key success factor learned on the basis of Lombardia experience are:

- the adoption of an “intelligent customer” modus operandi, avoiding the inclination to apply the traditional rules of R&D co-financing and State Aid mechanisms;
- the creation of a true commitment at all levels and the concrete involvement of end users (the demand side) in the definition of the required innovation;

⁸ http://www.ecoprocura.eu/fileadmin/editor_files/images/EcoProcura_2014_-_Sara_Bedin_TEH_Ambrosetti.pdf

- the organization of a technical dialogue with the market, in order to explore / imagine new solutions and to translate user requirements into functionalities;
- the clear definition and up-front publication in the PCP tender of right and obligations for both parties concerning IPRs (according to EU principles of non-discrimination, equal treatment, transparency, competition...);
- the separation between the pre-commercial R&D phase and the roll-out of commercial end-products resulting from R&D in conjunction with the multiple-sourcing procedure, enabling public purchasers to filter out the technological risk and avoid lock-in effect;
- the adoption of the “living-lab” model for the testing phase related to the PCP procurement.

Detailed case description of Lombardy PCP on INSPIRE project website: <http://inspirecampus.eu>

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