

# Interreg Europe Peer Review - Final Report Innovation procurement policy - Veneto Region (IT)

## Policy Learning Platform Peer Review Venice, 23-24 October 2024

Rev 31/01/2025



Brief presentation of the beneficiary and its motivation to host a peer review .....	3
<b>1. Specification of the policy challenge encountered.....</b>	<b>4</b>
<b>2. Questions to the Peers .....</b>	<b>4</b>
<b>3. Participants .....</b>	<b>6</b>
a. Members of the beneficiary organization .....	7
b. Observers and co-organiser of the Friuli Venezia Giulia Region .....	7
c. Representative of the national project “Territori” .....	7
d. Local stakeholders .....	7
e. The Pool of Peers .....	8
f. The Policy Learning Platform Team .....	8
<b>4. Policy Recommendations .....</b>	<b>9</b>
4.1 <i>Policy Challenge: What organizational and learning requirement are needed to implement a regional innovation procurement policy? How to engage dialogue with the innovation landscape and stakeholders?..</i>	<i>10</i>
.....	11
4.2 <i>Policy Challenge: How to design and integrate regional innovation procurement policies? .....</i>	<i>13</i>
4.3 <i>Policy Challenge: How to finance and support these procurements effectively? .....</i>	<i>16</i>
<b>5. Low hanging fruits .....</b>	<b>18</b>
<b>6. Possible calendar of implementation.....</b>	<b>19</b>
<b>7. Potential follow-up actions with the Policy Learning Platform .....</b>	<b>20</b>
<b>8. Conclusions .....</b>	<b>20</b>

## Brief presentation of the beneficiary and its motivation to host a peer review

**Although the Veneto Region controls a large volume of procurements, it has never used innovation procurement as a policy tool** to acquire better products and/or services and to strengthen regional innovation capabilities. It is time to take the Veneto Region ambition to the next level, raising awareness among decision-makers and policymakers about innovation procurement as a strategic demand-side policy instrument that can be channelled from various perspectives and angles for a multi-benefit effect.

As a matter of fact, **none of the most relevant policy instruments** public procurement rule, Regional S3 strategy, ERDF Regional Program and GPP Action Plan - **explicitly mention innovation procurement as an operative tool**. Our Region is aware that there are several barriers to implementing innovation procurements that are similar to those faced by other European regions in other latitudes, such as a lack of information and knowledge, risk-averse attitudes, limited incentives, a lack of cooperation between different departments, a perceived lack of clear benefits/value added, a strong assessment of needs, increased workload, policy silos impeding a coherent and aligned policy mix, and so on. The motivation to propose the Peer Review was to give a change for generating the necessary commitment and hands-on knowledge to approach innovation procurement and to channel it into the regional technical organization.

The Veneto Region has started a process of looking at procurement innovation concepts through the prism of a **national project called "Territori"** (that is Territories) which is co-funded by national resources and attempts to capitalize on Interreg's results, with the support of the Department for Cohesion Policies of the Presidency of the Council of Ministers (DPCoes). The aforementioned national initiative is being carried out **jointly with the Friuli Venezia Giulia Region**, which has its own GPP Regional Plan, exactly like the Veneto Region, but **lacks a thematic regional policy focused on innovation procurement**, so it is interested in closely monitoring the peer review process and its follow-up, with the participation of one regional officer expert in EU/ETC programmes and one or two regional officers experienced in public procurement<sup>1</sup>.

The desk study made clear that moving forward and broadening the vision are necessary. **The new paradigm is innovative procurement, and it is necessary to bridge the gap between theory and practice by starting its implementation in the two regions.** As a matter of fact, although the mandated application of GPP principles is far from simple and there are significant barriers to its full application, there are a number of national and regional initiatives to promote it and boost its concrete and compliant implementation. **Quite the contrary, there are no policy instruments that foster and boost the implementation of innovation procurement; hence, both areas are at the beginning of the process.** None of the engaged players has direct experience and expertise in innovation procurement; nonetheless, they all recognize the importance of a regional policy promoting its implementation, from which they might profit indirectly in their roles as public purchasers and innovation promoters.

---

<sup>1</sup> [https://www.regione.fvg.it/rafvfg/cms/RAFVFG/fondi-europei-fvg-internazionale/S4\\_FVG/](https://www.regione.fvg.it/rafvfg/cms/RAFVFG/fondi-europei-fvg-internazionale/S4_FVG/)

## 1. Specification of the policy challenge encountered

The two Regions have to start from scratch and they are not ready to experience an innovation procurement, without first evaluating and getting in touch with the necessary enabling conditions. As matter of fact, they are at the start line: none of the most relevant policy instruments—the regional public procurement rule, the regional S3/S4 strategy, the ERDF Regional Programme, or the GPP Action Plan—specify innovation procurement as an operational tool.

Veneto and the Friuli Venezia Giulia Regions have the potential to become a reference point in promoting the use of innovation procurement at regional level, also raising awareness among the S3 and regional Innovation eco-system stakeholders. Since there isn't a specific regional policy that supports and encourages the use of innovation procurement as a tool to boost the effectiveness and efficiency of public services by utilizing solutions that aren't currently on the market, **our Region must start from scratch**. As a result, both Regions must first establish the conditions, or structural basis, for proposing an innovation procurement policy to politicians and decision-makers.

## 2. Questions to the Peers

As emphasized in our back ground paper submitted for the peer review and during the peer review meeting, our Regions are starting from scratch. We acknowledge that while the potential for demand side innovation policies is significant in scale, it remains limited in scope. Innovation procurement seems to be a **tough nut to crack**. Not cracking them may be a lost opportunity for our administrations and innovation landscape. Innovation procurement is complex but, according to a multi-benefit approach it is possible to list some of its benefits:

- it is a way to foster growth and create new jobs, especially for the smaller innovative companies that are the backbone of the European economy and which are ideally placed to supply these new innovative products and services;
- innovative procurement drives economy growth by stimulating innovation. On one hand, it challenges public and industrial research fostering the development of innovative products and services. On the other, it facilitates the adoption of innovative solutions and emerging technologies within public administration, enhancing services for citizens and businesses. This creates a synergy between the supply and demand for innovation aligning it with the specific needs of territories and citizens;
- it develops new environmental and social solutions, better cost-effectiveness and new business opportunities for companies;
- it generates a better way to allocate public money: impact studies shown that innovation procurement creates an average 20% costs savings on public procurement expenditure;

In order to boost the real understanding of the opportunities related to this policy challenge, we have identified **2 blocks of questions**:

1. *How to design and integrate regional innovation procurement policies? How to finance and support these procurements effectively?*
2. *What organizational and learning requirements are needed to implement a regional innovation procurement policy? How to engage in a positive dialogue with the innovation landscape and stakeholders?*

The **first block** approaches the topic in three ways:

- *first*, it discusses the best strategy to getting off to a good start with policy design and integration with other policies, namely the S3/research framework and internal public procurement rules covering the areas not regulated by European and national legislation;
- *second*, it wants to investigate how our peers' regions have started to resort to this tool (*who came first, the chicken or the egg?*), that is have they first demonstrated to their policy makers their intrinsic value of innovation procurement with concrete examples or have they first adopted a regional law that set an annual goal of innovation procurement?
- *third*, it discusses the financial issue trying to understand how to finance innovation procurement. Thus, the issue of resources and consequently the capacity of programming thus assumes significant strategic importance.

The **second block** focuses on understanding what are enabling conditions in terms of capacity building and organization. We believe that capacity building supports programs - such as trainings on the topic on how and why to implement pre commercial procurement projects - have the potential to reduce risks and transaction costs related to new policy tools. But how to make it happen? What kind of organizational measures have to be introduced? What are the key settings of the organization to professionalize? On the basis of our preparatory work, we have focused the attention of the following point:

Context matters, behaviours and organization as well

- *The importance of capabilities to support innovation procurement and potential ways forward to promote innovation procurement*: existing skill sets of procurement bodies are not yet well aligned. Innovation procurement requires many capabilities that need specialized training, often a dedicated entity and an entrepreneurial culture;
- *Risk aversion among public procurers is one of the main bottlenecks*: innovation procurement entails risks and overcoming risk aversion is a matter of changing the motivation for public buyers. Procurers generally resort to solutions that have already proven to be applicable in other closely related contexts. Such incremental innovations and adaptations of already existing products entail a much lower development risk and have a reduced risk of failure;
- *Absence of an adequate risk management within public organizations*: an inadequate incentive system in the public sector - direct accountability- has the potential to discourage an innovative mindset and a thinking outside the box approach;
- *“Do not significant harm to internal cooperation”*: The public procurement system is fragmented among numerous regional departments, and this type of organization reduces the possibility of mutual cross-fertilization between offices and especially between interdisciplinary expertise. Fragmentation stifles the information circularity, while innovation procurement assumes internal cooperation and external cooperation; partnering with other organizations or institutions might help support the public procurement scheme and maximize its impact.

Innovation “in” and “through” public sector

- Innovation involves overcoming uncertainty and gaining market knowledge to explore innovative solutions to a problem;
- Technical knowledge to properly assess the value and viability of cutting-edge technologies is rare: it is impossible for procurers to be aware of all feasible approaches to innovation;
- Innovation procurement entails to “pack out” the culture of control and to develop trust and a cooperation among the parties in a “win-win” approach: early participation in the innovation process allows public authorities to identify potential legislative and regulatory issues that must be addressed to support the timely introduction of new solutions into public services. Early monitoring of the compatibility of research and development activities carried out by the

operators with concrete public procurement needs maximizes the effectiveness of the research and development process and allows for the optimization of research and development spending.

### 3. Participants

The innovation procurement is a transversal issue that requires collaboration and synergies among the various departments that are working together to create the enabling conditions to "digest" and begin using the innovation procurement. Actually, since the earliest interactions with the Policy Learning Platform, three distinct regional departments have participated in the learning process (*that are European Territorial Cooperation Unit, Research, Districts and Clusters Unit and Procuring Department with its GPP Office*). The Peer Review journey has been implemented in strict cooperation with the Friuli Venezia Giulia Region with the direct participations of three regional representatives from different internal departments. Considering that the Peer Review is one of the outputs of the national project "Territori" two representatives of the Department for Cohesion Policies and the South of the Presidency of the Council of Ministers (DPCoes) were eagerly engaged in the peer review activities as well together with other invited local stakeholders for sharing their perspectives on this policy issue. The Peers, identified to support together the two regions in their learning process, are five colleagues from different European regions and they are:

**Ana Lucia Jaramillo Villacis (Corvers Procurement Services B.V., The Netherlands)**

Ana has been working on developing the European Assistance for Innovation Procurement (EAFIP) toolkit, and her involvement in various EU projects (e.g., Prevent PCP, Procure4Health, Shield4Crowd, Impress) and programs like SPIN4EIC highlights her expertise in strategic procurement of innovation across multiple sectors. Her experience in policy design and implementation makes her an ideal contributor to our discussion.

**Povilas Bacevičius (Lithuanian Innovation Centre, Vilnius, Lithuania):**

Povilas has hands-on experience with pre-commercial procurement policy in Lithuania, having worked on significant projects like iBuy. Additionally, Povilas has expertise in promoting the adoption of public procurement of innovation and serves as the lead for the PPI4Cities project. His expertise in transferring international best practices and analysing national public procurement policies provides a deep understanding of how innovation procurement can be enhanced at both national and international levels.

**Guillaume Guezalou (Région SUD Provence Alpes Côte d'Azur, France):**

Guillaume's role in the implementation of the Prevent PCP, a pre-commercial procurement aimed at improving security for transport infrastructure, showcases his ability to manage complex innovation procurement initiatives. His involvement in other large-scale EU projects like Shield4Crowd highlights his expertise in managing cross-border procurement challenges.

**Tomas Gustafsson (Region Västerbotten, Sweden):**

Tomas is actively involved in the Procure4Health project, as well as in Swedish innovation programs like SweLife and Medtech4Health, which focus on innovation procurement in healthcare.

**Coen Bergman (Gemeente Amsterdam, The Netherlands):**

Coen leads a team focused on urban challenges such as sustainability and mobility and connects these issues with start-ups and entrepreneurs through innovation procurement. His work with the Innovatie Partners team makes him an excellent fit for discussions on how municipalities can drive innovation through procurement practices.

Three Policy Learning Platform members (Marc Pattinson, Laura Varisco and Elena Ferrario) have coordinated the activities throughout the learning journey.

#### a. Members of the beneficiary organization

- Rita Bertocco - Director of the European Territorial Cooperation and Macro Regional Strategies Unit (This unit belongs to the Joint Programming Department)
- Giulia Tambato - Director of General Affairs, Procurement, and Stable Operational Structure, Purchasing Goods and Services;
- Marco Sacco - Director of the Research, Districts and Clusters Unit (This unit belongs to the Research Innovation and Energy Competitiveness Department);
- Eva Zane - Responsible of the GPP Office (This office belongs General Affairs, Procurement, and Stable Operational Structure, Purchase of Goods and Services Department);
- Miriam Timoncini - Research, Districts and Clusters Unit;
- Giandolo Federica - European Territorial Cooperation and Macro Regional Strategies Unit;
- Roberto Grassi - External expert assigned by the Department for Cohesion Policies and the South to the national project called “Territories”.

#### b. Observers and co-organiser of the Friuli Venezia Giulia Region

- Ketty Segatti - Director of the specialized operating unit (UOS) for research, innovation, European Social Fund Plus, and other funds;
- Ginetta Nazzi - Senior policy officer International Relations and European Programming Unit, in charge of unitary programming for EU-FVG; IE MC member
- Stefano Borella - Responsible for the procurement and contracts of the Central Directorate for Environmental Protection, Energy, and Sustainable Development;

#### c. Representative of the national project “Territori”

- Monica Bellisario, senior policy officer of the Department for Cohesion Policies and the South of the Presidency of the Council of Ministers (DPCoes);
- Eleonora Recalcati, policy officer of the Department for Cohesion Policies and the South of the Presidency of the Council of Ministers (DPCoes);

#### d. Local stakeholders

- Manuela Masutti - AREA Science Park technologist, coordinator H2020 POSIDON project
- Alberto Soraci - AREA Science Park technologist, AREA coordinator North Adriatic Hydrogen Valley (NAHV) project;
- Ivan Boesso, Veneto Innovazione SPA;
- Maria Sole D’Orazio, Veneto Innovazione SPA;
- Bernardo Calabrese - Associate Professor in Commercial Law, University of Verona;
- Alessandro Manzardo - Assistant Professor, CESQA | Centre for Environmental Quality Studies Department of Civil and Environmental Engineering (ICEA);
- Francesco Trovo’ - Assistant Professor, Architectural Preservation, Research Cluster FEEM@IUAV EpiC; Earth and Polis Research Centre; Research Cluster IUAV H-city | Housing in the City abitare e rigenerare
- Filippo Mazzariol - Coordinator for Environment Area, UnionCamere Veneto;
- Lucia Da Rugna - Responsible of the Project Monitoring and Coordination Office, ARPAV.

e. The Pool of Peers

- Ana Lucia Jaramillo Villacis - Corvers Procurement Services B.V., The Netherlands;
- Povilas Bacevičius - Lithuanian Innovation Centre, Vilnius, Lithuania;
- Tomas Gustafsson - Region Västerbotten, Sweden;
- Guillaume Guézélou - Région SUD Provence-Alpes-Côte d'Azur, France
- Coen Bergman - City of Amsterdam, The Netherlands

f. The Policy Learning Platform Team

- Elena Ferrario - Thematic Manager, Interreg Europe Policy Learning Platform;
- Marc Pattinson - Thematic Expert Smarter Europe, Interreg Europe Policy Learning Platform;
- Laura Varisco - Thematic Expert Smarter Europe, Interreg Europe Policy Learning Platform.







#### 4. Policy Recommendations

Key message: Implementing the Veneto Region's innovative procurement program requires concentrating on the "pluses" that are available to it. It is crucial to build the pathway on pre-existing assets, such as the "Territori" project methodology, the assistance offered under GPP, the S3 landscape and the regional procurement strategy. Public innovation procurement policy can build a forward-looking perspective on solid foundations: actors, the eco system, and most crucially, the GPP.

Instructions for reading the recommendations: the different colours indicate the level of "readiness" to use the different recommendations in a one-year perspective.

Very likely to be applied

Depends on the specific political decisions/conditions

Rather seen as not applicable at the moment

ongoing strategic work that is already in progress

**4.1 Policy Challenge: What organizational and learning requirements are needed to implement a regional innovation procurement policy? How to engage dialogue with the innovation landscape and stakeholders?**

**TACKLING THE HURDLES: “Build knowledge and capacity”**

Key messages: some of the lessons learnt include understanding the balance between risk-and reward, adopting new perspectives on procurement organizations and the market. There are numerous examples of effective policy instruments, support, and implementation that can reduce risk and motivate risk mitigation efforts. *There is no option to doing nothing.* Existing toolkits at both European and national levels can help to accelerate formal and informal efforts. Notably some initiatives provide funding and resources for training projects and other forms of support, offering valuable tools to build capacity and drive progress.

The certification processes are opportunities as shown in Lithuania and Sweden (ISO certification innovation management); the notion of both formal training and informal training through working groups is also quite important (so-called “*coffee machine innovation*”) by connecting people and talking with others who have already gained a direct experience or who can also share their concerns

**Mitigate risk-adverse attitude and conservatism**

- Design different tools to address different targets = within the institution and externally towards the stakeholders and companies - demonstrate the potential for return on investment and regional impacts;
- “Do nothing” is not an option - see other Italian regions examples who are already deploying new policy instruments

**Provide knowledge and incentive - Formal tools (trainings, certification...) and informal tools (networking...).**

What is recommended	Veneto Region “ex post” comments
<p><b>Make use of existing tools such as the EAFIP Toolkit (a step-by-step approach);</b>  <u>Good practice presentation:</u>  <i>The European Assistance for Innovation Procurement (EAFIP) initiative supports public procurers across Europe in developing and implementing innovation procurement. The aim of the EAFIP-initiative is to promote good practices and reinforce the evidence base on completed innovation procurements across Europe. To encourage other public procurers to start new PCP and PPI procurements and to boost the digital-green economy recovery through Innovation Procurement (PCP &amp; PPI).</i>  <a href="#">EAFIP Toolkit   Research and Innovation</a></p>	<p><i>EAFIP toolkit modules are downloadable; it can be included in the training material to be developed for the implementation of an ad-hoc training path financed by the Environmental Ministry (see next points).</i></p>
<p><b>Certification process- provide skills to team - i.e., monitor new approaches such as the ISO Certification Innovation Management 56000.</b>  <u>Good practices presentation:</u>  <i>In Lithuania they wanted to incentivize the public procurement specialist to get a little bit of knowledge about innovation procurement; one the particular aspect is the certification; they have encouraged their specialist to take a look at the different capacity building materials available; tests are organized to verify if the public officers would be able to apply this knowledge in practice. Structure: short introduction, different modules (GPP,</i></p>	<p><i>To encourage the professionalization of employees who can carry out innovation procurements in the future, the skills certification process may be a very intriguing avenue. Nevertheless, it is vital to initiate a preliminary dialogue with the human resource Department, which is responsible for selecting the staff training pathways to finance, in order to determine the best possible formulation and to secure the necessary resource. We will soon get in touch with our Lithuanian peer to get more information about their capacity building process</i></p>






<p>innovation procurement etc.). Another interlinked example “a picture is worth a thousand words” is the building settled in Amsterdam a little red brick. It is an innovation pavilion; it is built to explore what is possible with circular material and bio-based building; Innovatie (Amsterdam Innovation department) has tested 8 different building materials and the power of the tangibility. It was developed together with the procurement department with the aim to create it on a larger scale. The challenge for Amsterdam is the lack of housing and the upgrade of housing to energy requirements so the new materials have a role to play and showcasing is an important approach and using innovative procurement.</p>	<p>and to get the 33 pages document mentioned during the peer review.</p>
<p>Set up ad-hoc trainings;</p>	<p>Shortly before the peer review, the Veneto Region received the news that the financing proposal for innovation procurement training courses had been approved (ministry funds). While the training path implementation will take place in 2025, the procurement process needs to be finished by 2024. The GPP office, which is responsible for outsourcing the funding, is now drafting the technical requirements to outsource the service. The training path will probably include a special module devoted to “write” a PCP as project work. We will deep the issue of the “value engineering” as suggested by Ana Lucia Jaramillo and how to include an “innovative touch” into traditional tenders and contracts.</p>
<p>Connect with relevant projects such as Erasmus for Young entrepreneurs;</p>	<p>We can manage this information and suggestion; in fact, one of the invited stakeholder, UnionCamere Veneto, also handles the ERASMUS program; its website hosts a thematic section devoted to the sharing of young entrepreneurs’ experiences. However, you should share ideas together with UnionCamere in order to verify the potential connections; the regional department in charge of enterprise training initiatives (ESF+) should also be involved.</p>
<p>Liaise with the local expertise and resources available in the region (universities, science parks, districts...);</p>	<p>The Veneto Region can exploit the working group established in the framework of the Territori project and of other ongoing cooperation agreements. Connections with stakeholders’ knowledge are not difficult, but they have to be correctly channelled and exploited. Stakeholders will be invited to take part to the training path that will be launched in 2025.</p>
<p>Celebrate the small wins and share success stories.</p>	<p>In order to disseminate best practices on innovative procurement during the training path, the Territories project conducts extra research on European initiatives.</p>

**Address the “Working in silos” phenomenon.**

Key messages: How can we build in some of the best practices or how can we share some of the procurement challenges that probably aren’t share or aren’t known? There are shortcuts to acquiring the necessary knowledge.

What is recommended	Veneto Region “ex post” comments
<p>Encourage co-creation processes between departments to enhance information sharing regarding procurement pipelines, project implementation and innovation challenges.</p>	<p>A meeting will be held to present capacity building path dedicated to innovation procurement (see above) with the aim at identifying the list of attendees. During this preparatory meeting, it may be possible to ask the participants (heads of the various regional Departments) to begin to consider a challenge or more challenges for which there is currently no market solution.</p>
<p>Mix formal and informal methods: Identify Innovation Champions / Motivated Leaders / “Shark Group”;</p> <p><u>Good practice presentation:</u>   Our peer from Sweden has introduced the idea of a “shark group” made up of neutral, or brokers or fixers that have the innovation procurement mindset that can instil this way of thinking into other forms.</p>	<p>The identification of motivated leaders who serve as motivators will most likely occur at the end of the training process that is under preparation. <u>The establishment of the shark group is postponed/conditioned by the end of the training course.</u></p>
<p>Mix formal and informal methods</p> <ul style="list-style-type: none"> <li>• Create dialogue within the S3 governance bodies according to the roles and thematic functions: <u>Tavolo inter-direzionale S3</u> - use the existing dialogue structures to create continuity;</li> <li>• Ensure a multidisciplinary and committed team, hire and involve the right people;</li> </ul> <p><u>Recommendation:</u> Exploiting the “Tavolo interdirezionale” but maybe injecting some new talent, new perspectives to create a multidisciplinary approach.</p>	<p>In conjunction with the presentation of the training course, the “inter-department table” could be used as an existing working table to:</p> <ul style="list-style-type: none"> <li>- share a preliminary set of information on innovation procurement;</li> <li>- introduce the peer review journey within the framework of the Territories project;</li> </ul> <p><u>Feedback from the Regional Innovation department:</u> “We suggest that the final recommendations of the Innovation Procurement peer review take into consideration the need to enhance coordination and information sharing within the regional administration. To achieve this, awareness should be raised among all departments to keep the Research, Innovation, and Energy Competitiveness Department (RIEC) informed of ongoing or planned R&amp;D initiatives, particularly when they intend to use innovation procurements. This will enable RIEC to: Facilitate the coordination and aggregation of needs at regional level; Monitor these initiatives by linking them to S3 priority areas, where relevant.”</p>
<p>Build on the Regional Innovation Networks and Industrial Districts and involve them in projects. <u>Recommendation:</u> The Veneto region has to take its own ideas and share them with the S3 environment (or national level as well), and ask if anyone else is doing it, or if someone is doing it and it can learn from them; it is about real-time progress, accelerating the process, and the exchange and flow of information so that the hurdles are not an obstacle to implementation. S3 is one asset where we can actually create the freedom for exchange because we have validated with our</p>	<p>postponed/conditioned by the end of the training course in order to get before a sufficient command of the issue.</p> <p>To initiate the flow of information, the regional <u>S3 website</u> will be updated with articles, news, and brief interviews with training path trainers on the innovation procurement. Other measures of involvement will be progressively identified.</p>


<p>innovation ecosystem; it is not necessary to reinvest in new priorities, but there are opportunities to improve the ability to deliver them with more exchange and by using the procurement vehicle, the procurement mindset, as another way to embed these priorities in our region where relevant.</p>	
<p>Explore opportunities with the Italian Innovation Procurement Platform (CONSIP) - learn and share with others.</p>	<p>postponed/conditioned by the end of the training course in order to get before a sufficient command of the issue.</p>



#### 4.2 Policy Challenge: How to design and integrate regional innovation procurement policies?

##### **WARM-UP: Design and test policy framework options**

Key messages: this section includes suggestions and examples for launching the design process, beginning with an *executive paper* that should be co-created and prepared with all involved stakeholders at the regional and external levels, and progressing to a critical mass of good practices, examples, and success stories to bring them to the political level, which requires piloting and testing. Another idea is to continue researching best practices, sharing information with other peers, regions, and cities, and doing study tours in order to continue exchanging these practices and learning from other existing tools such as the European Innovation procurement benchmarking.

It is crucial to begin by defining the main needs at the regional level and analysing important case studies in order to begin acquiring creative solutions. It is also crucial to learn from the experiences and their outcomes in order to assist in removing administrative obstacles and burdens and to build on the knowledge regarding intellectual property rights, legal matters, and the use of state aid.



What is recommended	Veneto Region “ex post” comments
<p>Prepare a policy framework to reflect different innovation procurement options: start with an “Executive Paper” facilitation co-construction and building on GPP experience.</p>	<p>The recommendation to develop this type of document is very good and welcome; our idea is to build this document in synergy with the trainers who will be responsible for the training course (see above) as part of the training path. The trainers will help us to build a lean, effective, and highly-oriented document that will provide policymakers with the most relevant information to make them understand the crucial importance of innovation procurement in public administration. <u>We will look for champions also at political level once completed the training path and after the presentation of the executive paper</u></p>
<p><b>First, test and pilot via policy experimentations</b></p> <ul style="list-style-type: none"> <li>- Consider linking concrete demo cases to existing regional missions (i.e., space economy, bioeconomy...) as set out in approved strategies</li> <li>- Example of GovTech Framework in Lithuania - Demo Days, Challenges...Design Thinking;</li> <li>- A project implemented locally in Amsterdam grew up to National level</li> </ul> <p><b>GOVETECH good practice presentation:</b></p>  <p>At the beginning of this journey, few people and organizations were interested in public sector innovation. However, the proactive efforts of the GovTech team, combined with the continuous exchange of knowledge with stakeholders in both the public and private sectors made a significant difference. Strong political support has further bolstered the ecosystem, with the active participation of top politicians at GovTech events reinforcing confidence in the importance of this initiative. Thanks to this project, currently they are creating a community of public sector organizations that can exchange experience and knowledge, to cooperate, to engage in different initiative; they are creating a critical mass encouraging other organizations to be brave and to participate in public procurement of innovation”</p>	

<p><u>Amsterdam good practice presentation:</u></p>  <p>What benefit does it have for the companies that are working with Innovative in this process of engaging the start-up since 2015? It was underlined the importance of the first contract that gives trust and faith to the second client. It is a mutual understanding as usually the private sector thinks that to work with public sector is more a headache than a sort of pay off.</p>	
<p>Create a successful narrative to be showcased to the political level to increase support;</p>	
<p>Look for “champions” also at political level, bring concrete cases and indicators to go ahead with the strategy / advocacy;</p>	
<p>Learn from other cities experience on how to integrate Innovation Procurement Experts in Commissions and policy evaluation → study visits</p>	<p>Our idea is to continue to map the available experiences. <u>Participation in study visits is a very welcome idea.</u> Their sustainability is conditioned by the availability of resources for organizing a study visit or more than one; as a preliminary activity (a lower cost solution) could be the organization of on-line meetings with potential European peers’ regions.</p>
<p>Learn from European Innovation Procurement benchmarking and the 10 indicators</p>	<p>The publication is <a href="#">accessible</a> and used to prepare the peer review meeting; “In the benchmarking of national innovation procurement policy frameworks across Europe, Italy is at the 13th position of the overall ranking with a total score of 37.05%. Even though this score is higher than in the previous benchmarking (32.5%), Italy remained in the same position as other countries improved their policy frameworks faster. The country’s performance is above the European average on 3 of the 10 indicators. Out of the 30 countries analysed, Italy is one of the modest performers in implementing a mix of policy measures for mainstreaming innovation procurement. As Italy has put in place only around one third (37.05%) of the policy measures that stimulate innovation procurement, a considerable strengthening of the policy framework for innovation procurement is still required in Italy for it to”.</p>
<p>Track KPI’s and impact indicators</p>	
<p>Responding to the regional needs - Provide a policy focus - Set targets! (Example from Peer Région SUD on security/safety issues)</p> <p><u>Good practices presentation:</u></p>  <p>Particular challenge scenario become a journey. When you start to think about one problem and how innovation my tackle this, you will probably arrive to something completely different as it happened in the PREVENET project. They have not thought at the beginning that they would have a worked the issue of unattended luggage because they started on something completely different. Going on a step-by-step methodology the work will be more consistent. It was stressed the role of testing the different ideas with the clusters as intermediaries to access private sectors technology, so using the local clusters to deliver a final list of what could work and couldn’t work. Small innovation vouchers can shortcut an innovation</p>	<p>These actions are the crucial point of the innovation procurement journey; they are higher hanging fruits. In relation to the IP and state aid issue, the Veneto Region will cooperate with the universities for acquainting the necessary thematic contents and knowledge. IPR and state aid will be for sure included as thematic issues to be addressed in the framework of the training path on innovation procurement (see above).</p>

<p>process.</p>	
<p>Create the conditions to remove administrative barriers, including IPR legal issues and state aid rules - provide access to expertise and information</p>	
<p>Design accessible procurement documentation (Amsterdam's case - short documents with supporting annexes)</p>	<p><i>IPR and state aid will be tackled in the training path as thematic topic.</i></p>
<p>Have a long-term strategy enhancing visibility of the benefits</p> <ul style="list-style-type: none"> <li>- Initiate regional programmes (example of PCP Programme (Lithuania))</li> <li>- Rank the challenges to prioritise: (climate change, environmental monitoring using AI, civil protection...)</li> <li>- Not only pilots but also follow-up actions with regional start-ups and innovative SMEs</li> </ul>	

**RUN THE RACE: Open Market Consultations as a key phase in innovation procurement**

Key messages: Open Market Consultations are an essential step in this process of innovation procurement. We don't have to reinvent the wheel as there are already existing tools that can give us the right methodology.

<p><i>What is recommended</i></p>	<p><i>Veneto Region "ex post" comments</i></p>
<p>Open Market Consultations help to analyze the market and reduce the risk of zero proposals</p> <p><u>Good practices presentation:</u></p>  <p>EAFIP is a methodology to address innovation procurement that starts with the need assessment and understating the maturity of technology, consulting the market if it is ready or not, building a business case and designing the procurement strategy. It is important the commitment to start this race, using the tools available and the methodology that has proven to be useful.</p> <p><u>Skåne Region good practice presentation:</u></p>  <p>Skåne is one of the most innovative Sweden Region; this experience started with international cooperation and it ended with the region really delivering their own innovation strategy with the health focus.</p> <p>Most of the budget goes to health from the regions so it is an important task (ca. 95%). They started with the challenge to prevent patients falling within the hospitals and they wanted to find new solutions and to replace plastic aprons with more sustainable material. Skåne region implemented the 2 procurements running in parallel training activities; it has developed a toolbox; it has started collaboration with other Sweden actors as well as with stakeholders at EU scale.</p>	<p><i>These actions are the crucial point of the innovation procurement policy and future; at this stage, they are like higher hanging fruits. On occasion of the training path, a specific focus on OMC will be tackled and examples, practices will be mapped to feed the training material, resorting to Eafip website and other relevant on-line sources.</i></p>
<p>Clusters as intermediaries for testing with businesses</p>	<p><i>We will go through the EAFIP methodology for sure and other contents.</i></p>
<p>The tools are there! Use them and lead by example! Also, develop your own tools / guidance / manuals.</p>	

### RUN THE RACE: Collect Policy impacts on the Regional Ecosystem

Key messages: Measuring the various impacts of the policy is crucial. The economic effects of SMEs' expansion and growth are one potential indicator; other indicators can help develop a long-term vision.

<i>What is recommended</i>	<i>Veneto Region “ex post” comments</i>
Review data collected/monitoring results according to type of Innovation Procurement tools deployed.	Veneto Region is a frontrunner of using open data sets for regional economic development; they are important to access to data that means also introducing new innovative monitoring methods that can be used in the long term; at this stage, they are like higher hanging fruits.
Policy mission achievement	
Economic impacts for example on SMEs scale up/growth/employment	
Technology development	
Interregional cooperation	
Share results - success stories	


### 4.3 Policy Challenge: How to finance and support these procurements effectively?

#### IN THE STARTING BLOCKS: Explore Funding Options

Key messages: there is an increasing pressure at European level and local level on more complementarities and impacts for the same budget. Different fundings serve different purposes, such as trainings, capacity building paths, PCP etc. It is crucial to incorporate various funding resources into strategic plans, also using “creative” approaches. At national level, it is important to work with the national bodies and, highly suggested, with other Italian regions; at European level, Horizon funds PCP programs at 100% representing an opportunity to explore; it is possible to start as a stakeholder of a PCP project or as a member of the user group, in order to get more acquainted with the functioning (examples PROTECT and PCP-WISE). It is recommended to explore the opportunities with Interreg programs (for example IBUY project and HERCULES project) and cross border funds as well as private funds such as sponsorship for hackathons, challenges and prizes.

<i>What is recommended</i>	<i>Veneto Region “ex post” comments</i>
<p><b>Coordination and synergies among funding sources:</b> Both funding for the preparatory phase and then funding for the actual tendering and procurement phases.</p> <p><b>Regional Funding:</b></p> <ul style="list-style-type: none"> <li>- 80 M € from regional ERDF (to be noted that these funds are used to financed research activities and not for training path as indicated in the recommendations.)</li> <li>- Review the regional procurement approach pipeline: “Piano Triennale per gli Acquisti”;</li> <li>- Revenue generation from fines for non-compliance with environment standards, consider scope for using part of these funds to initiate new procurement projects</li> </ul>	<p>We can get in touch with the colleagues working with ERDF and EFS + plus in order to verify the possibility to get some resources to co-finance training paths in order to secure a long-term learning experience and/or other types of initiative.</p> <p>The availability of potential resources (primarily ERDF and EFS+) is determined by the state of the art in pre-allocation and concrete flexibility.</p>
<p><b>National / RFF:</b></p> <ul style="list-style-type: none"> <li>- Work with the Ministries for specific challenges to be tested locally;</li> <li>- Work with other Italian regions on shared challenges;</li> </ul>	<p>Veneto Region and Friuli Venezia Giulia can start to share first ideas to identify possible common challenges. We have opened a dialogue with AGID -Agency for Digital Italy that is an important player at national level. This agency deals with bringing public demand to the market and with the involvement of other institutions.</p>
<p><b>European Programmes and initiatives:</b></p> <ul style="list-style-type: none"> <li>- Veneto Stakeholders are already involved in European projects tackling different topics and priorities;</li> <li>- Horizon Europe projects: several projects already</li> </ul>	<p>We can begin to map the existing opportunities within the context of approved HORIZON projects (if they are searching for stakeholders or user groups) and look for Interreg initiatives to follow</p>



<p>implemented by the stakeholders (i.e.POSIDON by Area Science Park);</p> <ul style="list-style-type: none"> <li>- Procure4Health, Prevent PCP, PROTECT, PCP WISE...</li> <li>- EAFIP Support Scheme for legal and Technical Assistance;</li> <li>- Interreg Europe projects (iBuy, HERCULES...) or other cross-border projects;</li> </ul> <p><u>Best practice presentation</u></p>  <p><i>PCP WISE project focuses on the water management solution using space data, to improve the knowledge on the water and soil humidity and prevent problems like drought or floods. Companies are invited to create consortia and develop solutions.</i></p>	<p><i>and/or implement.</i></p>
<p><b>Private (i.e. sponsorship, challenges)</b></p>	<p><i>On a later stage</i></p>

**IN THE STARTING BLOCKS: Explore joint / interregional procurement opportunities**

Key message: We can start an outward process with other Italian regions, we can go hunting together for delivering some of the new solutions; we can start with joint training.


<b>What is recommended</b>	<b>Veneto Region “ex post” comments</b>
<p>Explore scope for launching interregional procurement challenge with Friuli-Venezia-Giulia</p>	<p><i>We can continue to work together with Friuli Venezia Giulia to share ideas and to start to focus on the joint priorities and challenges; potential interregional challenges will be filtered and evaluated during the training path as a first practical implementation</i></p>
<p>Critical mass is enhanced and attractiveness for SMEs and larger companies.</p>	<p><i>On a later stage</i></p>
<p>Explore joint training opportunities with joint resources for procurement and project stakeholders</p>	<p><i>The training path under procurement will be open to Friuli Venezia Giulia Region.</i></p>
<p>Many cross-border challenges exist .... climate change, circular economy etc.</p>	<p><i>We can continue to work together with Friuli Venezia Giulia to share ideas and to start to focus on the joint priorities and challenges</i></p>

## 5. Low hanging fruits

Key message: When starting small, little is more. The first phases include starting the design process, creating new incentives, and creating expectation for political support.

1. Create your own regional product (starting from our regional needs and challenges)
2. Engage with the business community as much as possible and keep them informed (use intermediaries: clusters, incubators, DIH...);
3. Create a «shark group» (Veneto Region ex post comment: the shark group cannot be conceptualized as part of the so called “Tavolo Interdirezionale”);
4. New, Veneto Region ex post comment! share a preliminary set of information on innovation procurement in the framework of the so called “Tavolo Interdirezionale”;
5. Organise a workshop on needs and objectives at the Departmental level;
6. Set up a motivated Technical Task Force to test a small-scale innovative procurement, in line with the political representative (scout for National funding for such initiatives);
7. Access creatives / designers’ community to stimulate the reflection;
8. Launch small projects such as hackathons with small budgets;
9. Explore different «cascade funding» opportunities with commitment from public end-users as first clients (testing that generated different projects using cascade funds, starting small and then you continue and you scale up and open up opportunities);
10. Importance of access to (regional public) data, including open data sets...;
11. introduce new monitoring methods for long term procurement;
12. Include innovation clauses into traditional tenders and contracts, and functional procurement - a rapid and easy first step;

## 6. Possible calendar of implementation

Activities/months	start Nov. 2024	+1	+2	+3	+4	+5	+6	+7	+8	+9	+10	+11	+12
Put on the innovation T-SHIRT 													
Make use of the existing tools such as EAFIP toolkit (> register in the platform)													
Certification process - provide skills to them and set up ad-hoc training;													
Liaise with the local expertise and resources available in the region													
(LHF) Creating our own regional product starting from our regional needs and challenges Encourage co-creation processes between departments to enhance information sharing regarding procurement pipelines, project implementation and innovation challenges.													
(LHF) Creating a «shark group» <i>The establishment of the shark group is postponed/conditioned by the end of the training course.</i> <i>The so called "Tavolo inter-direzionale" will be involved as addresser of information, including a specific point in its agenda in order to share the innovation procurement tools.</i>													
(LHF) Organise a workshop on needs and objectives at the departments level.													
<i>Updating the regional S3 website, with articles, news, and brief interviews with training path trainers about innovation procurement and other relevant topics.</i>													
Preparing a policy framework to reflect different innovation procurement options: starting with an "Executive Paper" facilitation co-construction and building on GPP experience, creating a successful narrative to be showcased to the political level to increase support and look for champions also at political level, bring concrete cases as indicators to go ahead with the strategy/advocacy													
Learning from other cities experience on how to integrate Innovation procurement experts in Commission and policy evaluations													
Exploring funding opportunities Regional Funding and European Programmes and initiatives													
Work with other Italian regions on shared challenges.													
Follow-up meeting with PLP													

## 7. Potential follow-up actions with the Policy Learning Platform

The peer review team from the two regions would like to organize a study visit as part of the follow-up actions offered through the Policy Learning Platform (PLP). At the conclusion of the peer review meeting, the PLP informed us about the possibility to request "on-demand" activities to deepen the learning, keep the stakeholder's engagement and support the uptake of recommendations-

Following an internal discussion and analysis of regional priorities, the team would like to request a study visit (TBC) at one of the peers' venue to deepen and expand the knowledge gained.

While fully appreciating the value of the other peers' experiences, the disruptive vision of the City of Amsterdam represented by Mr Coen Bergaman (Gemeente Amsterdam) has stimulated our curiosity and captured our interest. Amsterdam has implemented a range of initiatives that could serve as inspiration for our administrations.

If a study visit to Amsterdam could be arranged, we would appreciate the opportunity to meet again Mrs Anna Lucia Jaramillo from Corvers Procurement Services B.V. for a detailed, step-by-step presentation of one or two examples of innovative procurement practices.

Alternatively, we are interested, where possible, in visiting our Swedish peer Mr Tomas Gustafsson from the Västerbotten Region given his wide and direct experience in innovation procurement process.

## 8. Conclusions

The peer review meeting was very successful and with a great commitment, many ideas and a lot of knowledge were exchanged.

As pointed out by the Policy Learning Platform Team, our Peers have been generous with the host regions and their stakeholders; they have intensively shared their first-hand experience and extensive expertise throughout the peer review process. The Policy Learning Platform has made a significant contribution to ensuring a high degree of information flow, establishing connections, and holding onto best practice examples given by peers.

The use of metaphors has reinforced the content of crucial messages and recommendations, such as "*beginning to wear the innovation T-shirt*", "*less is more*" "*shark group*" and "*coffee machine innovations*".

These insights have conveyed a clear message from the peers and the Policy Learning Platform experts to the two regions: inaction is not an option and it is necessary to establish both formal and informal channels for information flow to ensure progress and collaboration.

There is a multitude of easily accessible information that needs to be familiarized with and processed, but it is also vital to begin concentrating on what regional challenges—no matter how minor—are required to initiate a test and implementation step.

Maintaining an active exchange with other realities at the national and European level is also essential for bringing tangible data and information to policymakers' attention and for generating chances for study tours and exchanges.

It is crucial to keep collaborating with the Friuli Venezia Giulia Region, active co-promoter of the Peer Review process, in order to reach a critical mass and to establish interregional cooperation models that could attract funding for collaborative initiatives.

Moreover, there is a potentiality in involving other Italian Regions in the diffusion and adoption of Innovation procurement practices, in order to leverage - at national level- the capacity of public authorities to embrace innovation procurement practices and in parallel to consolidate a critical mass guaranteeing a smooth communication flow in favour of the knowledge advancement and exchanges.