



**PROCURE2  
INNOVATE**

# How to set up a competence centre for innovation

A short guidance and check-list developed by procurement the  
procure2innovate project

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# FACT SHEET

This guidance is based on the information in deliverable 3.1 and will present an overview of the concept of competence centres, their institutional settings and how to set one up.

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## DISSEMINATION LEVEL

- X**      **PU = Public**  
PP = Restricted to other programme participants (including the EC)  
RE = Restricted to a group specified by the consortium (including the EC)  
CO = Confidential; only for members of the consortium (including the EC)

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# How to set up a competence centre for innovation procurement

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## 1. Introduction

### About the project

The Procure2Innovate project will provide improved institutional support for public procurers of information and communication technologies (ICT) and other sectors that implement innovation procurement. To achieve this, the project will establish or expand competence centres for innovation procurement in 10 European Union countries: five are already established in Austria, Germany, the Netherlands, Spain and Sweden; while five new competence centres will be established in Estonia, Greece, Ireland, Italy and Portugal.

### How we made this guide

This how-to instruction guide is based on three peer-to-peer exchange workshops the P2I consortium held. During these workshops existing and to-be-established competence centres discussed among each other and with experts about their needs and challenges. Thus, this guidance is based on real experiences and struggles that competence centres for innovation procurement in the EU have had. Hopefully their experiences will mirror yours in many ways and make this guidance useful.

### How to use this document

The document will take you step-by-step through the creation of a competence centre for innovation procurement. Starting with the basics and working towards more advanced requirements. While we consider these steps to be somewhat consecutive, the individual circumstances in your country will define in which order you are completing the steps.

This is also the reason why this document is not meant to be exhaustive. It aims to guide and inspire as well as identify the bare minimum needed to run a competence centre. Further steps, tailored to your national or regional situation, will be required to ensure the optimum support for public authorities.

The guide is structured the following way: section 2 outlines the concept behind competence centres, section 3 identifies the basics you need to cover before you can get started with the competence centre, while section 4 outlines actions you can take to establish credibility and earn trust from public procurers, section 5 prioritises the actions you need to take when the competence centre starts operation and finally section 6 is a handy checklist.



## 2. What is a competence centre for innovation procurement?

### Typology and institutional background

Based on the information gathered in the procure2innovate project, in practice there are three organisational models used for national competence centres of innovation procurement. The first model is a competence centre located within the central purchasing. The second model is an institution that is either under the direct authority of another government institution or has been integrated into an existing agency. Finally model three is a competence centre that has been contracted out to a non-profit organisation.

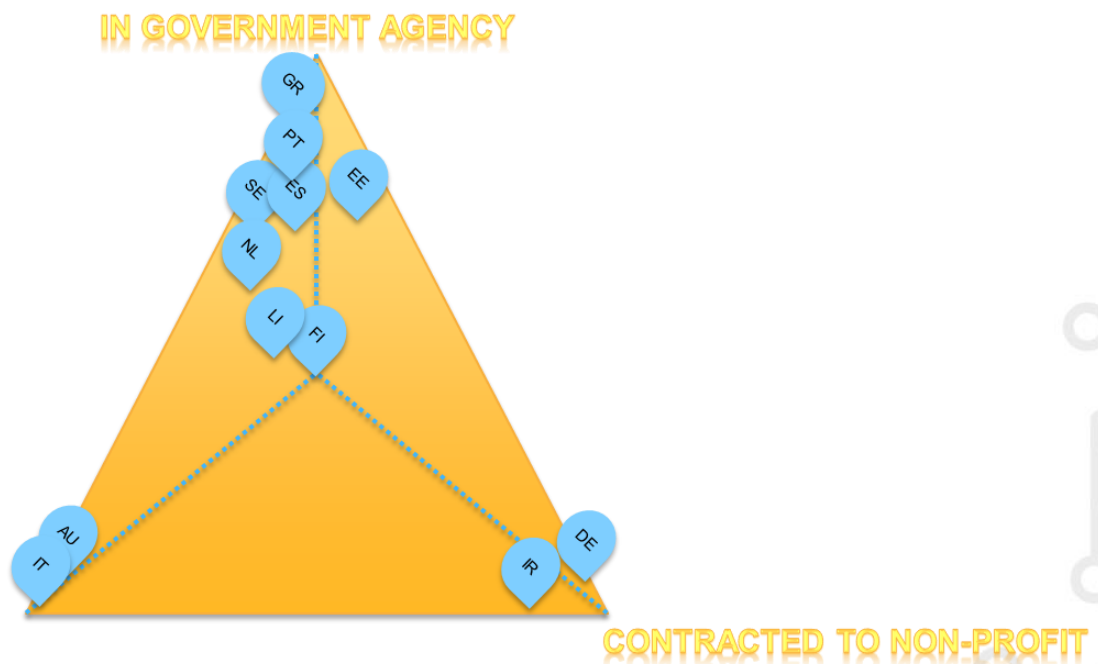
The table below describes each model in more detail.

Type	Description	Countries using this model
<b>Model 1: competence centre located in CPB</b>	<ul style="list-style-type: none"> <li>The competence centre is part of the central purchasing body (CPB) on a national level.</li> <li>The activities of the competence centre are directly linked with the purchasing goals of the CPB.</li> <li>Initiatives from the competence centre can be directly tied in with CPB activities.</li> </ul>	Austria, Italy
<b>Model 2: competence centre tied to/located in government agency</b>	<ul style="list-style-type: none"> <li>The competence centre is part of a national ministry or directly linked to one or more ministries as (part of) a government agency.</li> <li>The work of the competence centre is strongly guided by strategies and goals set up by the ministry but not a core part of its activities.</li> </ul>	Sweden, Estonia, Netherlands, Spain, Portugal, Greece
<b>Model 3: competence centre contracted/outsourced to non-profit</b>	<ul style="list-style-type: none"> <li>The competence centre is contracted to an independent expert organisation (usually a non-profit) on behalf of a ministry or government agency.</li> </ul>	Germany, Ireland

- The activities of the competence centre are guided by national strategies and goals but are only loosely linked with other activities of the agency or ministry.

The triangle figure below highlights how the three approaches are mixed to suit national institutional settings and specific national policy goals.

In practice most competence centres are mixing two or even three approaches together. The most extreme being, associate partner of the project, Finland where



the competence centre is a compound of eight institutions, a virtual competence centre. In contrast Germany, Ireland, Italy and Austria are applying the typology in its purest form.

The Netherlands are also a unique case where the competence centre on innovation procurement is part of a larger competence centre for public procurement which in turn is aligned with the ministry of economic affairs.

There is anecdotal evidence that countries that have a less formalised approach to innovation procurement (no national strategy or action plan) but are rather using PPI and PCP as a means towards reaching economic policy goals, also have more flexible types of competence centres (Germany, Ireland). While countries with a high degree of regulation in innovation procurement practices may prefer competence centres that work closer with the government, i.e. that are more integrated into the existing institutional landscape (Austria, Greece).

Given those three models the question remains which one would be most suitable in your context. In the annex we have collected the basic characteristics for each existing competence centre in the procure2innovate project. This background information will hopefully allow you to make an informed decision on the institutional setting of your new competence centre.

These characteristics will also be described in more detail in the following chapter.

### 3. The basics

#### Define innovation procurement

A clear definition of innovation procurement is the basis for the work of a competence centre. Without this definition you will not be able to access your target audience, state your ambition or define key performance indicators (KPI).

If your country doesn't have a definition you could use the following from the European Commission. Public Procurement Directive 2014/24/EU defines innovation as:

***“[T]he implementation of a new or significantly improved product, service or process, including but not limited to production, building or construction processes, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations inter alia with the purpose of helping to solve societal challenges or to support the Europe 2020 strategy for smart, sustainable and inclusive growth”<sup>1</sup>***

Innovation procurement is described by the European Commission as:

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<sup>1</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024>

*“Innovation procurement can drive the R&D and deployment of innovative solutions from the demand side through respectively pre-commercial procurement (PCP) and public procurement of innovative solutions (PPI). This can speed up public sector modernisation and open new market opportunities for companies in Europe. Coordination and support actions typically support procurers to investigate the feasibility and prepare the ground to start new PCPs or PPIs. PCP and PPI actions co-finance actual PCP or PPI procurements (one single joint PCP or PPI call for tenders or several separate but coordinated PPI calls for tenders per action) plus additional coordination and networking activities related to the procurement.”<sup>2</sup>*

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## Define what competence centre means to you

Based on your definition of innovation procurement you need to spell out what a competence centre is in your case. The procure2innovate project has defined competence centres for innovation procurement as:

*“A competence centre on innovation procurement is an organisation/organisational structure that has been assigned the task by its government and has a mandate according to national law to encourage wider use of pre-commercial procurement (PCP) and public procurement of innovation (PPI) that includes among others providing practical and/or financial assistance to public procurers in the preparation and/or implementation of PCP and PPI across all sectors of public interest.”<sup>3</sup>*

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<sup>2</sup>

[https://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/ftags/innov\\_proc.html#c,topics=flags/s/InnovationProcurement/1/1&+callStatus/asc](https://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/ftags/innov_proc.html#c,topics=flags/s/InnovationProcurement/1/1&+callStatus/asc)

<sup>3</sup> [https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/ict-33-](https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/ict-33-2017;freeTextSearchKeyword=;typeCodes=0,1;statusCodes=31094501,31094502,31094503;programCode=null;programDivisionCode=null;focusAreaCode=null;crossCuttingPriorityCode=null;callCode=H2020-ICT-2016-2017;sortQuery=openingDate;orderBy=asc;onlyTenders=false;topicListKey=topicSearchTablePageState)

[2017;freeTextSearchKeyword=;typeCodes=0,1;statusCodes=31094501,31094502,31094503;programCode=null;programDivisionCode=null;focusAreaCode=null;crossCuttingPriorityCode=null;callCode=H2020-ICT-2016-](https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/ict-33-2017;freeTextSearchKeyword=;typeCodes=0,1;statusCodes=31094501,31094502,31094503;programCode=null;programDivisionCode=null;focusAreaCode=null;crossCuttingPriorityCode=null;callCode=H2020-ICT-2016-2017;sortQuery=openingDate;orderBy=asc;onlyTenders=false;topicListKey=topicSearchTablePageState)

[2017;sortQuery=openingDate;orderBy=asc;onlyTenders=false;topicListKey=topicSearchTablePageState](https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/ict-33-2017;freeTextSearchKeyword=;typeCodes=0,1;statusCodes=31094501,31094502,31094503;programCode=null;programDivisionCode=null;focusAreaCode=null;crossCuttingPriorityCode=null;callCode=H2020-ICT-2016-2017;sortQuery=openingDate;orderBy=asc;onlyTenders=false;topicListKey=topicSearchTablePageState)



Again, the definition in your country or context will depend on the political and administrative situation in your country as well as the intended scope of your actions.

### Define the mission statement

Define the key goal based on political aims or policies and other socio-economic triggers. You should be able to answer the following question: *Why are you doing this?* The answer should go beyond 'because there is budget' and 'because I have been told to'. Take time in answering the question as it will provide the basis for many other decisions you will be making.

### Start small and soft

Set achievable goals for the first phase (i.e. set yourself up for success). Consider supporting lighthouse projects at first using soft influences, not strict obligations. Also, harmonising activities at all costs may be counterproductive. Give stakeholders time to develop trust, even though this might not bring immediate results at first, it will support the sustainability of your actions. Also, make it fun, this way stakeholders and participants will be more motivated and have more ownership of the activities in your competence centre.

One approach to ensure commitment from all relevant stakeholders is to use the responsibility assignment matrix<sup>4</sup>. It identifies which people in a network or project are **R**esponsible, **A**ccountable and have to be **C**onsulted or **I**nformed (RACI approach). When you are negotiating with these stakeholders to achieve commitment, their RACI status can tell you how many resources you are investing. Commitment from people that are accountable or responsible is obligatory. However, if a stakeholder is only consulted and informed their commitment is not as crucial.

Stakeholder	RACI status	Possible approach to achieve commitment
Politicians	Consulted	<ul style="list-style-type: none"> <li>Underline how innovation procurement can help reach their political goals</li> </ul>
Higher management	Responsible	<ul style="list-style-type: none"> <li>Have numbers ready to show what can be achieved with the competence centre</li> </ul>

<sup>4</sup> More information: [https://en.wikipedia.org/wiki/Responsibility\\_assignment\\_matrix](https://en.wikipedia.org/wiki/Responsibility_assignment_matrix)

<b>Colleagues</b>	Accountable	<ul style="list-style-type: none"> <li>Outline how the collaboration can save them time and effort as well as help them reach their goals</li> </ul>
<b>External stakeholders</b>	Informed	<ul style="list-style-type: none"> <li>Show the connections of innovative procurement with other societal goals (competitiveness, inclusion, sustainability)</li> </ul>

It is important, as time goes by, to keep investing in the commitment from the relevant stakeholders, especially if they are not involved on a regular basis. Informing and engaging public procurers of all domains is the foundation of the competence centre. Keep on sharing the benefits for the community, economy and political strategy. It keeps you focussed on what really matters: better procurement.

#### 4. Establish credibility

##### Key components of the competence centre

Existing competence centres are defined by a number of core common characteristics. These should be met to some extent to make sure the competence centre is an institution that can provide sustainable support in the long run. Having these characteristics not only helps competence centres to operate efficiently but also gives them credibility. This credibility will help attract public procurers and allow them to trust the advice given by the competence centre.

The following core characteristics should be met/considered:

- ✓ Personnel resources are allocated (on average between 4 and 6 full time equivalent)
- ✓ Define the roles needed in your competence centre, such as procurement expert, communication expert, legal expert, project management support, stakeholder engagement officer
- ✓ Budget is allocated (existing competence centres have a median annual budget of 600,000€)
- ✓ Official mandate from the (national) government
- ✓ National or comprehensive character of the competence centre, i.e. the institution needs to be perceived as the one key actor in the field of innovation procurement. Usually this means a nation-wide mandate, but some countries have successfully implemented regional or sub-national competence centres.

- ✓ Cooperation agreements with key government stakeholders
- ✓ Networking relationships with NGOs and procurement associations

## 5. Flesh it out

### State your ambition and scope

With the basics covered you should now identify the “why” of the competence centre. The following questions can be used for guidance:

- Why are you setting up a competence centre for innovation procurement?
- What political goals are associated with the centre?
- What societal goals are associated with the competence centre?
- Which policies can support and “trigger” your success with the competence centre?

Beyond those questions of institutional identity, it can be useful to state the scope of influence you are expecting for the competence centre. Public procurement is a vast sector and it can be counter-productive and disappointing if you aim to change all of it. Instead start with a clearly defined section, governance level or product group which can serve as a lighthouse. Once you have achieved those goals you can broaden the scope of the competence centre.

### Define target group

To develop the optimum set of supporting services for your public procurement officials, you need to know who you are speaking to. Knowing your target group intimately will enable you to develop optimal services to support their needs. In the procure2innovate project we used the method of personas and CANVAS to identify the needs and characteristics of the target groups in each country.<sup>5</sup>

### Define minimum set of services

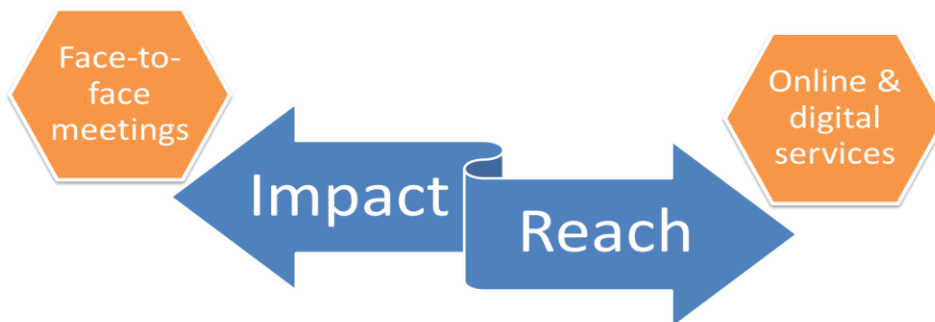
Throughout our discussions and workshops in the project we have identified the following core and advanced services a competence centre should offer. Again, these lists are based on the experiences of the P2I consortium and are in no way mandatory. You can add and adapt as it fits your circumstances.

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5      Include link to target group study summary once online



With all offered services the main goal is to strike a balance between achieving a wide and/or deep reach, meaningful changes. This is represented by the struggle between resource intensive face-to-face activities and digital services.



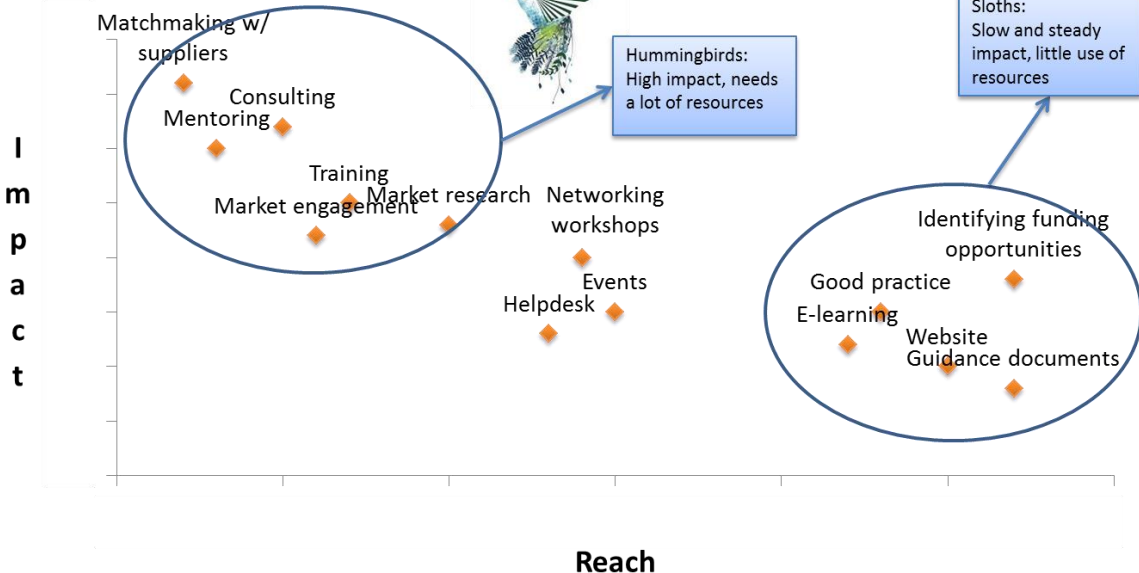
A wide reach ensures that you are supporting as many members as possible. A large impact on the other hand means that the support you have offered to a public authority makes a meaningful, long-term difference to their day-to-day work. Services with a wide reach are often online and digital services, that are available on demand. Services with high impact are normally in-person and more individualised. Ideally, you want all services and support you offer to have the best possible combination of impact and reach.

Generally speaking, services offered to public buyers can be identified as hummingbirds or sloths. Hummingbirds are services which will have a deep impact and really change how a buyer approaches PCP and PPI but they also consume a lot of resources. Sloths on the other hand are the type of services that have long endurance, needs little oversight and is resource efficient. Such sloths though will not have profound impact; rather they will provide an easy starting point for public procurers to look into the topic of innovation procurement. Sloth services would normally be followed up by hummingbird services. For example, a public procurer would first get general information through e-learning or an online tool-box and once they have a specific unmet need they would request legal support or mentoring services.

There are several services that can't be classified as either and require a moderate amount of resources while also having medium impact, such as networking events or workshops.

Experience shows that competence centres at the national level are more policy driven and have a longer time frame for the completion of their goals. This means that they will usually offer more sloth services as basic support and add hummingbird services as needed. Those hummingbird services often change more frequently because they more readily address the changing needs of the most ambitious public procurers in their country.

### Classification of services



From experience we have identified core services that each competence centre should offer and more advanced services which should be created once the centre is properly established. Both groups of services should be carefully mixed and matched to included hummingbirds and sloths. It is however likely that the core services will have a higher percentage of sloths, while the advanced services will consist of more hummingbirds.

#### Core services:

- Capacity building (procurement instruments, market knowledge, legal knowledge, financial knowledge)
- Helpdesk, permanent contact

- Support for the pre-procurement phase (needs assessment, market analysis, market sounding, market engagement)
- Provide a networking and exchange space for procurers (via events or online tools)
- Showcase good practice examples

#### Advanced services:

- Strategic management support (development of innovation procurement action plans, development of technical knowledge in procurement department etc.)
- Guidance documents
- Strategic support for the positioning of the procurement department in the public authority
- Consultancy and in-house training
- Support in applying for Horizon 2020/Horizon Europe funding
- Support in combining Horizon 2020/Horizon Europe and ERDF funds
- Coordinate with regional change agents (motivated multipliers from public authorities) to act as mediators between the (rural) regions and the national competence centre

These advanced services often become core services after the competence centre has been running for a couple of years. While more basic services can be discontinued. As the public procurers become more proficient in innovation procurement their needs and interests change too. It is thus a good idea to revisit and adjust the target group definition and update the services regularly.

### **Identify and gather contacts**

Based on the knowledge of your target group and which services should be provided, you need to set out to identify the right people to contact.

Often you will start from scratch with basically no existing contacts. And even if you are able to access a national database with procurement personnel to help you get

started, this does not necessarily mean that those contacts are ready and open to hear your message. Consolidating a reliable fund of contacts in your country will be a core task in the first year.

Initially it will be important to contact *multipliers*. These actors are at the centre of a larger network and will be able to disseminate the information about the competence centre quickly. Multipliers can be institutions and stakeholders, but the most efficient stakeholders are well-connected and respected procurement officials. Identifying those and establishing a good relationship is the key.

Beyond dissemination through multipliers, a wide-spread dissemination through various communication channels will reach a larger set of procurers. Good opportunities for outreach are personal connections made at a kick-off event or a regional networking workshop organised by the competence centre.

### Set KPI's and evaluation standards

To measure your progress and impact, a minimum set of key performance indicators (KPI)<sup>6</sup> should be put into place. To review the KPI's regularly a corresponding evaluation system should be used.

To ensure that your new competence centre runs for a long period of time, make sure that you have a continuous feedback loop set up with the government institution responsible for the funding of the competence centre. And even if there is standardised feedback system, still give regular informal updates so the government officials feel ownership for the centre.

## 6. Checklist

As a summary to the guide we compiled a checklist of key characteristics. A competence centre should offer these services and have these resources *at minimum* to be able to provide efficient support to public procurers:

- ✓ Defined target group and contacts in this target group
- ✓ Communication plan
- ✓ Website
- ✓ Permanent contact person/hotline
- ✓ Networking (either online or at events)

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6 When available add the P2I KPI





- ✓ Representation of interest towards policy makers, industry associations and the general public
- ✓ Associated scientific institution to back-up findings and track progress
- ✓ Key performance indicators, evaluation and monitoring tools





## Annex

Key characteristics of each existing national competence centre for innovation procurement in the procure2innovate project:

Country	<b>Austria</b>
<b>Budget holder</b>	Federal Ministry for Digital and Economic Affairs and Federal Ministry for Transport, Innovation and Technology
<b>Budget size decided by</b>	Federal Ministry for Digital and Economic Affairs and Federal Ministry for Transport, Innovation and Technology
<b>Mandate and mission received from</b>	Federal Ministry for Digital and Economic Affairs and Federal Ministry for Transport, Innovation and Technology
<b>Audit and evaluation by</b>	Die KMU Forschung Austria
<b>Personnel (own or seconded?)</b>	Own

Country	<b>Germany</b>
<b>Budget holder</b>	BMWI Federal Ministry for Economic Affairs and Energy
<b>Budget size decided by</b>	BMWI Federal Ministry for Economic Affairs and Energy
<b>Mandate and mission received from</b>	BMWI Federal Ministry for Economic Affairs and Energy
<b>Audit and evaluation by</b>	BMWI Federal Ministry for Economic Affairs and Energy
<b>Personnel (own or seconded?)</b>	Own (BME Association Supply Chain Management, Procurement and Logistics)

Country	<b>The Netherlands</b>
<b>Budget holder</b>	Ministry of Economic Affairs and Climate Policy
<b>Budget size decided by</b>	Ministry of Economic Affairs and Climate Policy
<b>Mandate and mission received from</b>	Ministry of Economic Affairs and Climate Policy
<b>Audit and evaluation by</b>	Financial audits by Auditdienst Rijk
	Program is externally evaluated by Dialogic in 2019
<b>Personnel (own or seconded?)</b>	Own

Country	<b>Sweden</b>
<b>Budget holder</b>	Ministry of Finance
<b>Budget size decided by</b>	Concerning innovation procurement: the agency
	Concerning budget for the agency: the Ministry of Finance



<b>Mandate and mission received from</b>	Ministry of Finance
<b>Audit and evaluation by</b>	Swedish National Audit Office
<b>Personnel (own or seconded?)</b>	Own
<b>Country</b>	<b>Spain</b>
<b>Budget holder</b>	Directorate General for R&D and Innovation + CDTI + INTA + ISCIII  Respective institution´s budget to cover personnel costs and subcontracts in order to run out the CC services  ERDF funds (INNOCOMPRA-FID /PCP INITIATIVE) and CDTI funds (PCP INITIATIVE + INNODEMANDA) in order to support Innovation Procurement (IP) projects
<b>Budget size decided by</b>	Directorate General for R&D and Innovation + CDTI + INTA + ISCIII  Total approx. of 1,4 M€/year (including SGFI, INTA, ISCII and subcontracting) for personnel and subcontracting costs
<b>Mandate and mission received from</b>	Secretary of State R&D
<b>Audit and evaluation by</b>	Own personnel and externals
<b>Personnel (own or seconded?)</b>	Own personnel (4 SGFI + 8 CDTI+ 0,5 INTA + 0,25 ISCIII)



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