Innovation Partnerships (IP)

Overview of TED Data 2016-2022

07/2023

What did we do?

Cleaning the Data, categorizing and organizing

Workflow

- Retrieve Innovation Partnership (IP) data from TED (CAN and CNs)
- Clean “real” IP from “fake” IP
- Research to retrieve missing contract information
- Categorize into sectors and policy objectives

Innovation Partnership (IP) at a glance

>60% of awarded contracts include SME participation

173 Contracts awarded in total

>8bn€ in contract value awarded between 2016-2022

18 Countries used IP in their public procurement

40% of contract value spent on green or social purposes

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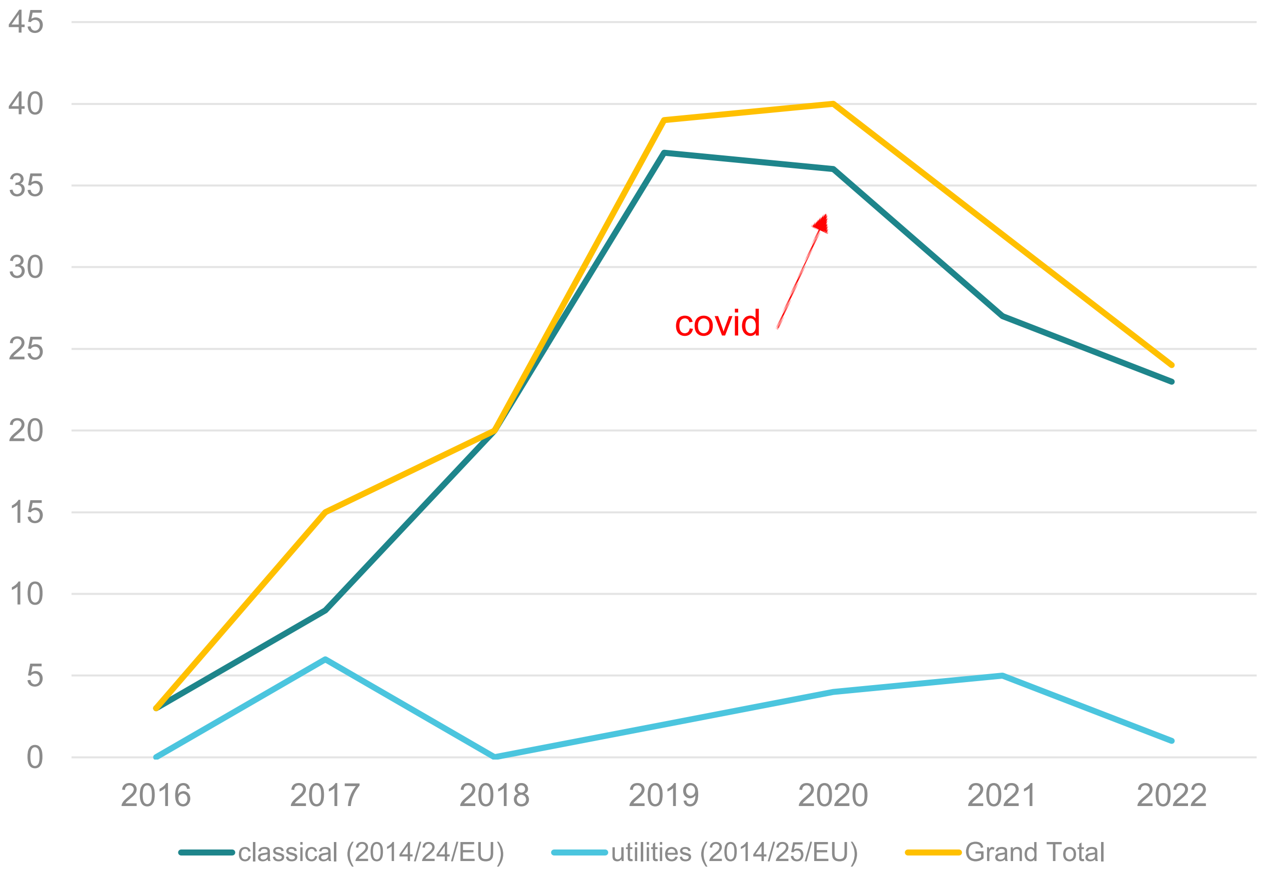
What are the results?

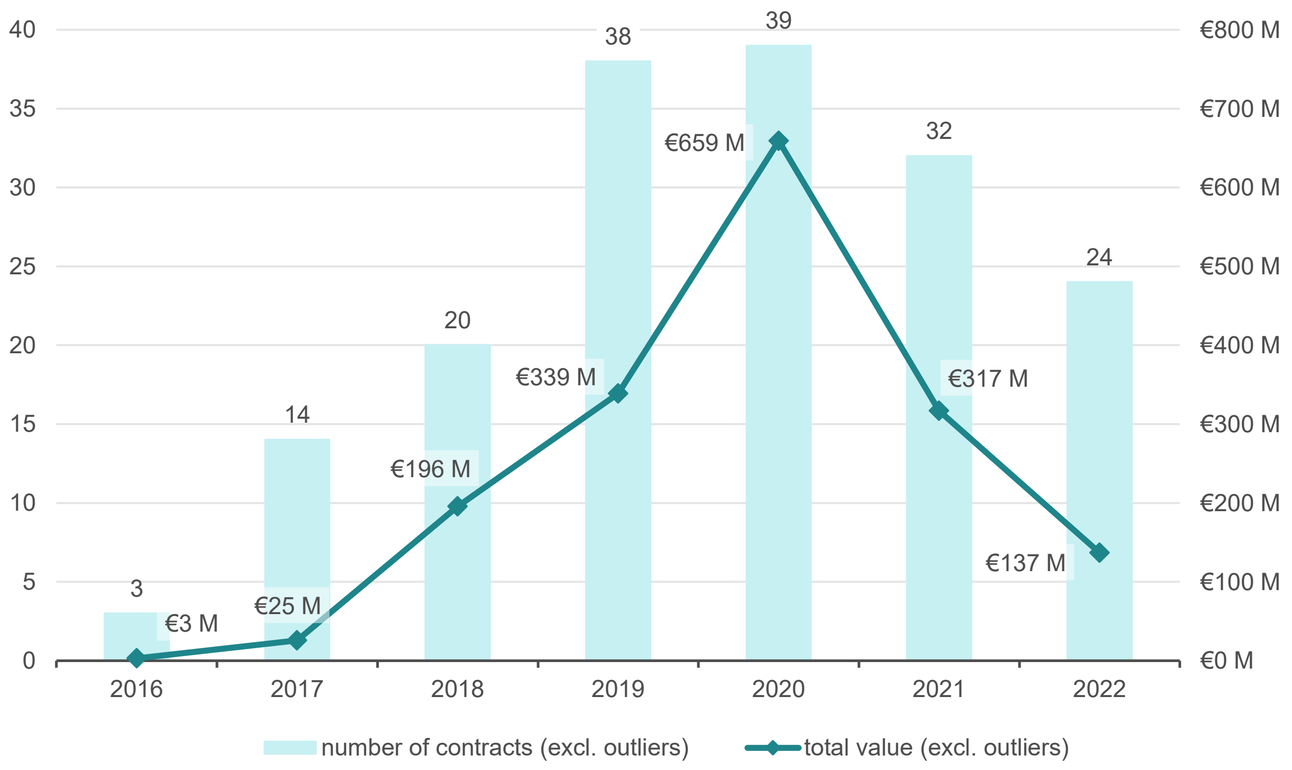
IP have a strong impact on innovative and green outcomes

Evolution of contracts awarded by Directive



- The total number of contracts awarded has been decreasing over the last years
- 90% of cases are under the Classical Directive
- Utilities: growing trend until 2021
- The decrease of contracts under the classical directive after 2020 may be due to the pandemic

Total value of IP contracts awarded
(excl. outliers)



- Value of contracts awarded and number of contracts awarded each year
- Peak in 2020, then a sharp decrease likely affected by Covid
- Total value of 2016-22 (including outliers): 8.32bn €
- Average value (excl. outliers*): ~10m €

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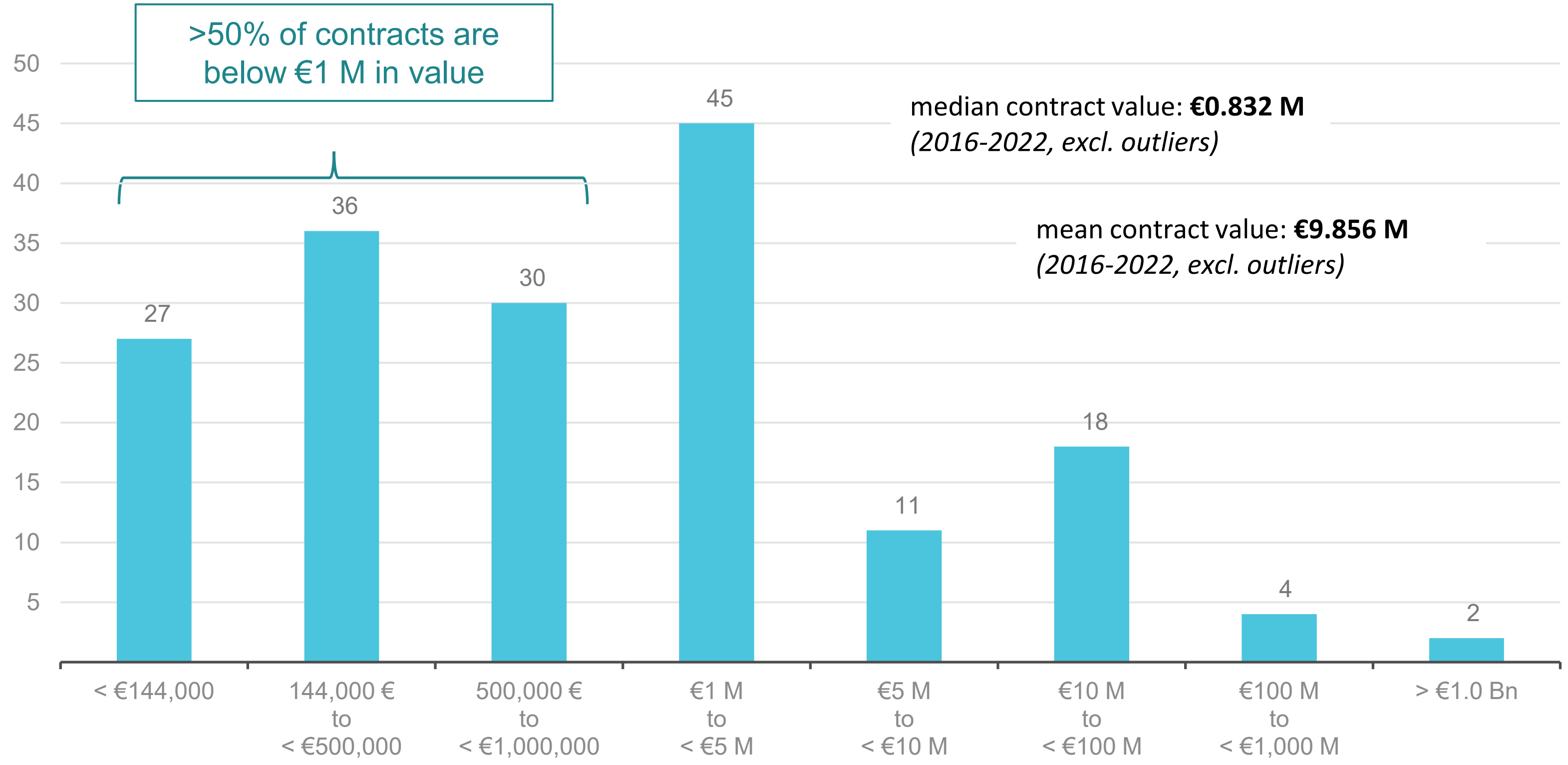
* we consider as outliers cases with a procurement value < 2 € and >1bn € (3 cases in total, year: 2017, 2019, 2020)

Distribution of Contract Value
(incl. outliers)

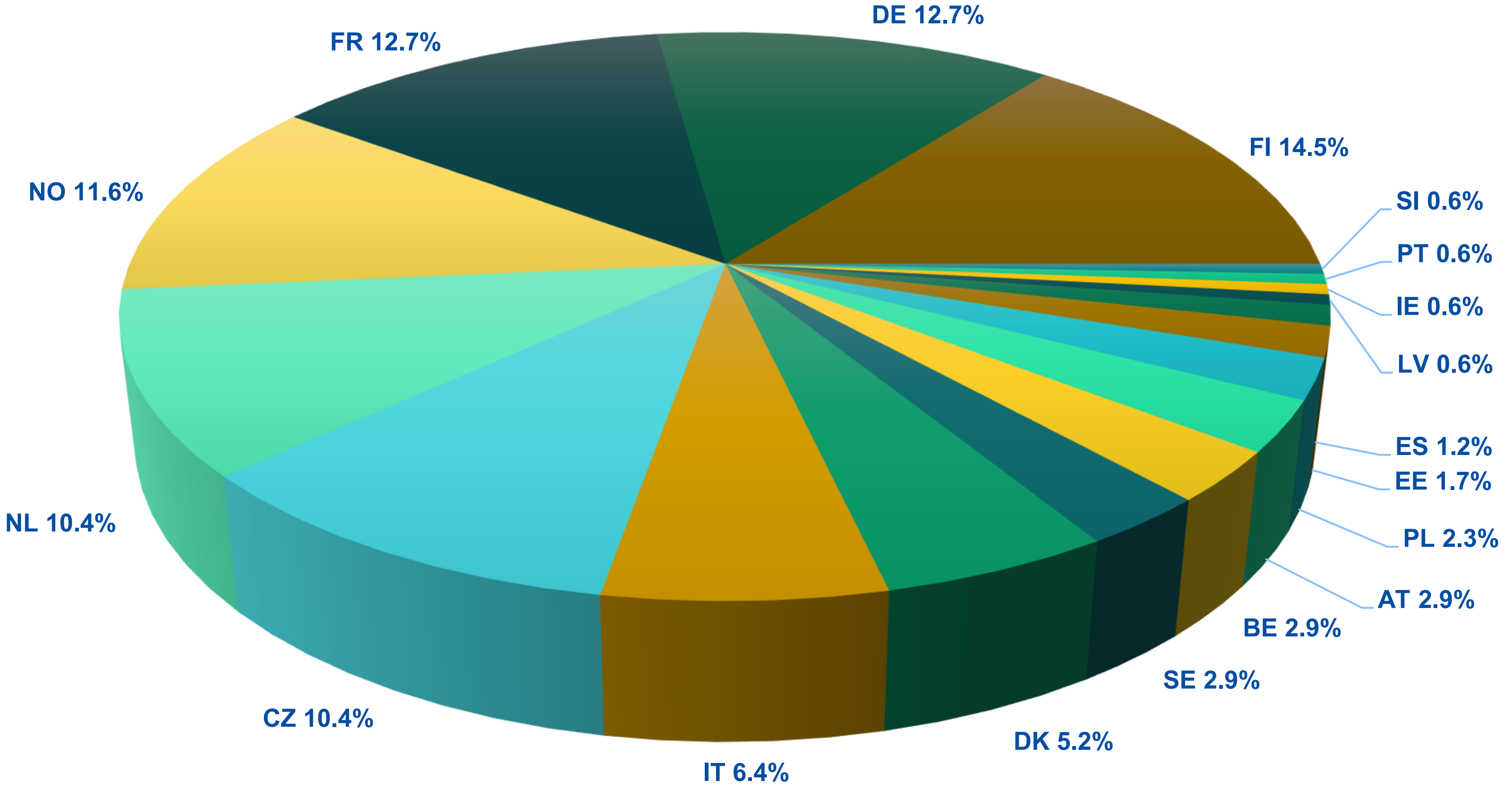


- Many contracts range below the EU-threshold level of 140 k €
- The higher we move in value the less contracts there are
- There is a very large range between the contracts, with the lowest being below <10k € and the highest >5bn €

IP by Member States

(based on the number of contracts awarded, incl. outliers)

- IP awarded in 18 different countries
- There is a group of MS with several contracts (top 3 + NO, NL, CZ)
- Top 1: Finland (25)
  Top 2: France (22)
  Top 3: Germany (22)
- Includes all EU-27 countries plus EEA countries (NO, LI, IS)



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IP with cross-border awards
(excl. outliers)

There are examples of **cross-border collaboration** in IP:

17/170 contracts awarded to foreign companies, i.e. **10%** of contracts awarded *(compared to <3% of direct cross-border for PP contracts in general)*

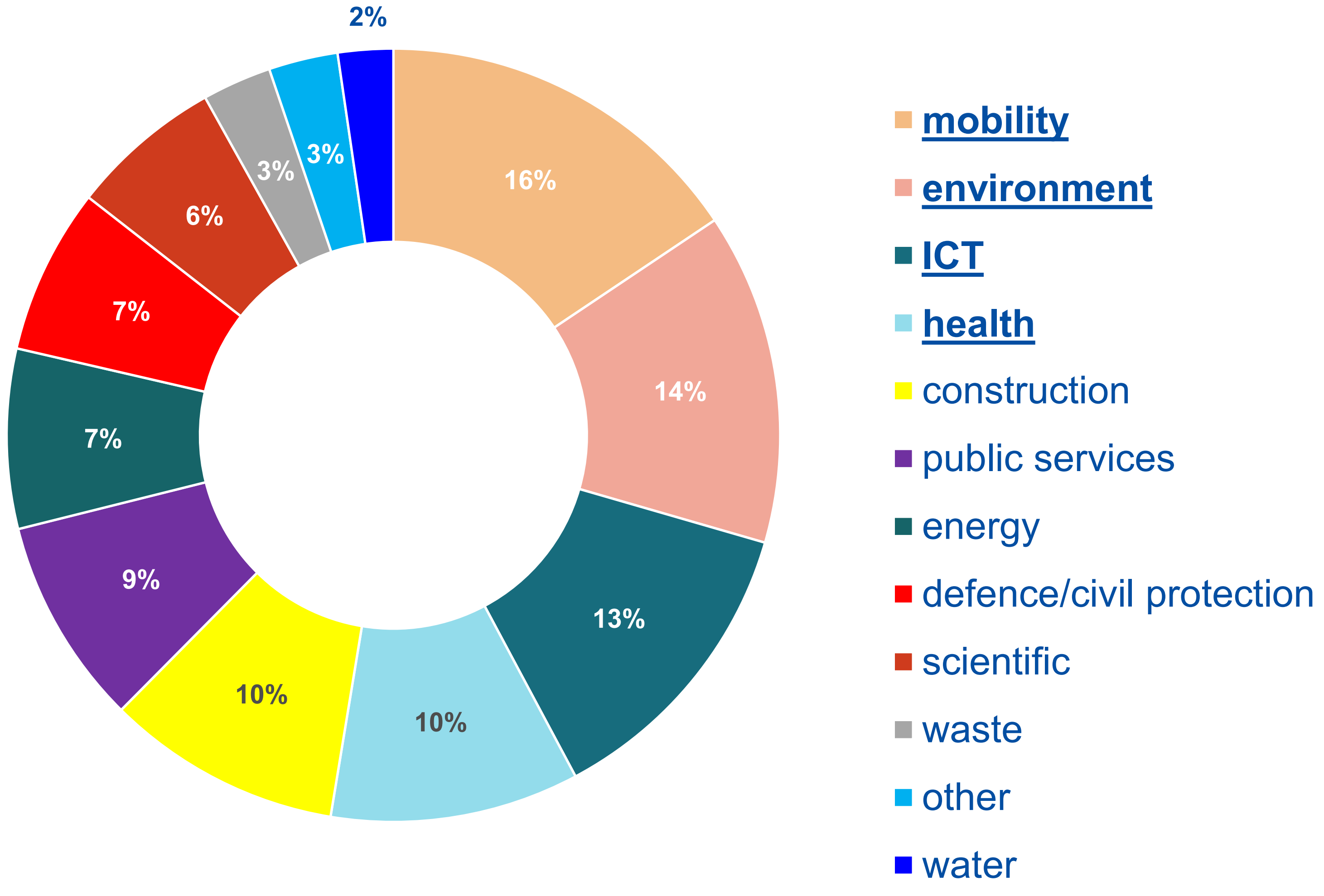
Total value of cross-border IP is **83.8m €**, i.e. 5 % of total contract value *(compared to >4% for PP contracts in general).*

Two IP contracts have been awarded outside of the EU+EEA: Switzerland and India

CA's origin		Suppliers' origin
BE	→	DE, NL
CZ	→	SK
DE	→	AT, CH
DK	→	AT, SE
EE	→	FI
FI	→	ES, SE
FR	→	ES, BE
IT	→	AT, SI
NO	→	DK, IN
PL	→	FR

IP by Sector

(based on the number of contracts awarded, incl. outliers)



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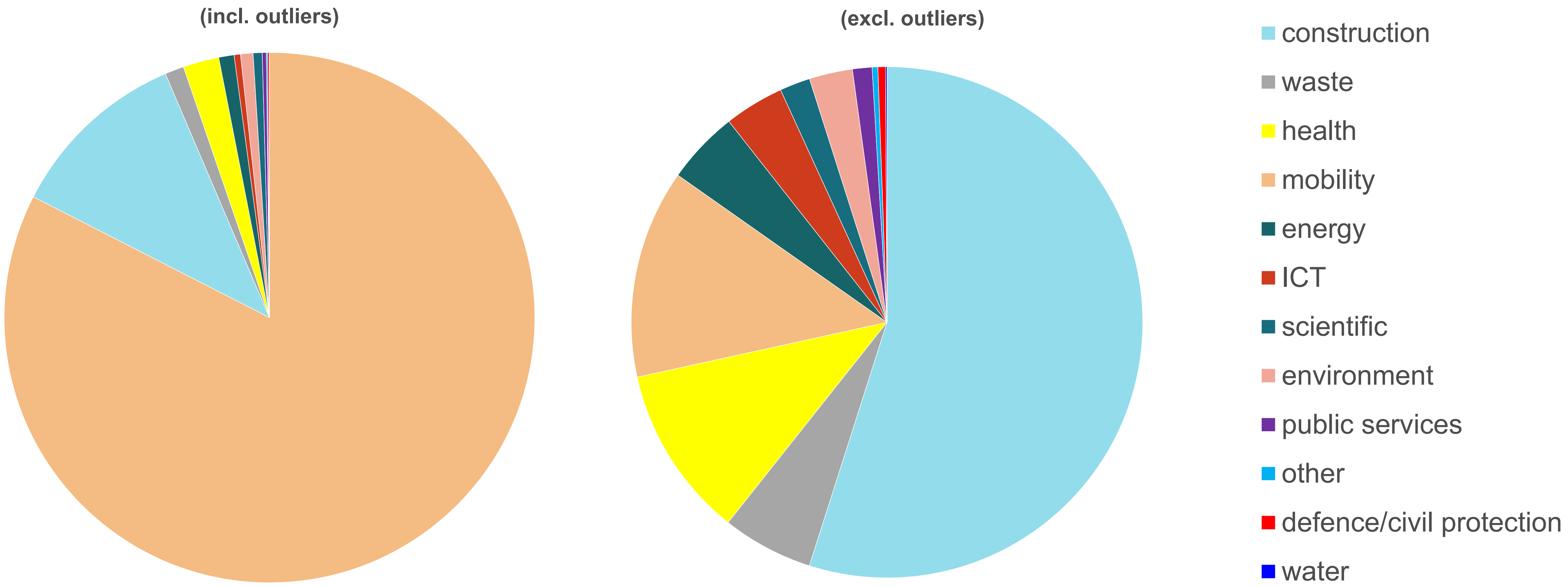
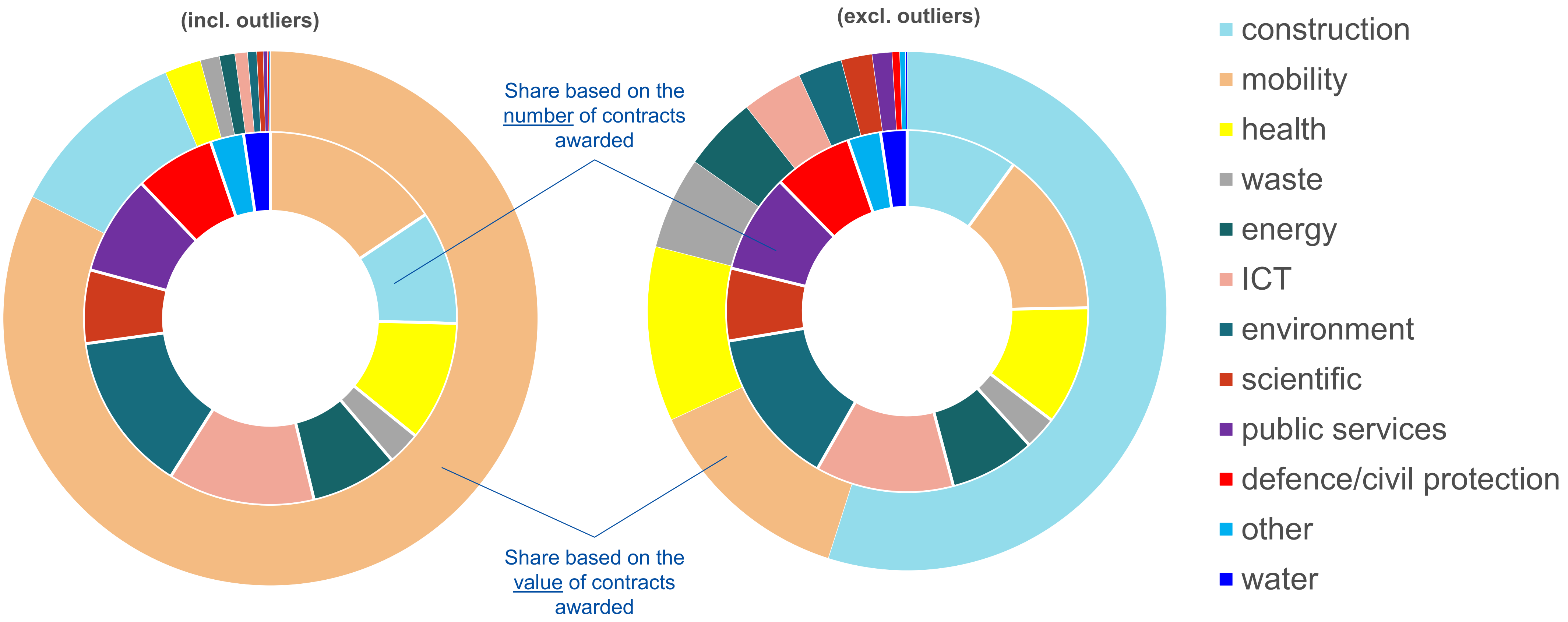
IP by Sector
(based on the value of contracts awarded, incl. outliers)



Without outliers clearly the construction sector is ahead in total and average value, whereas including the outliers mobility is by far number one

IP by Sector



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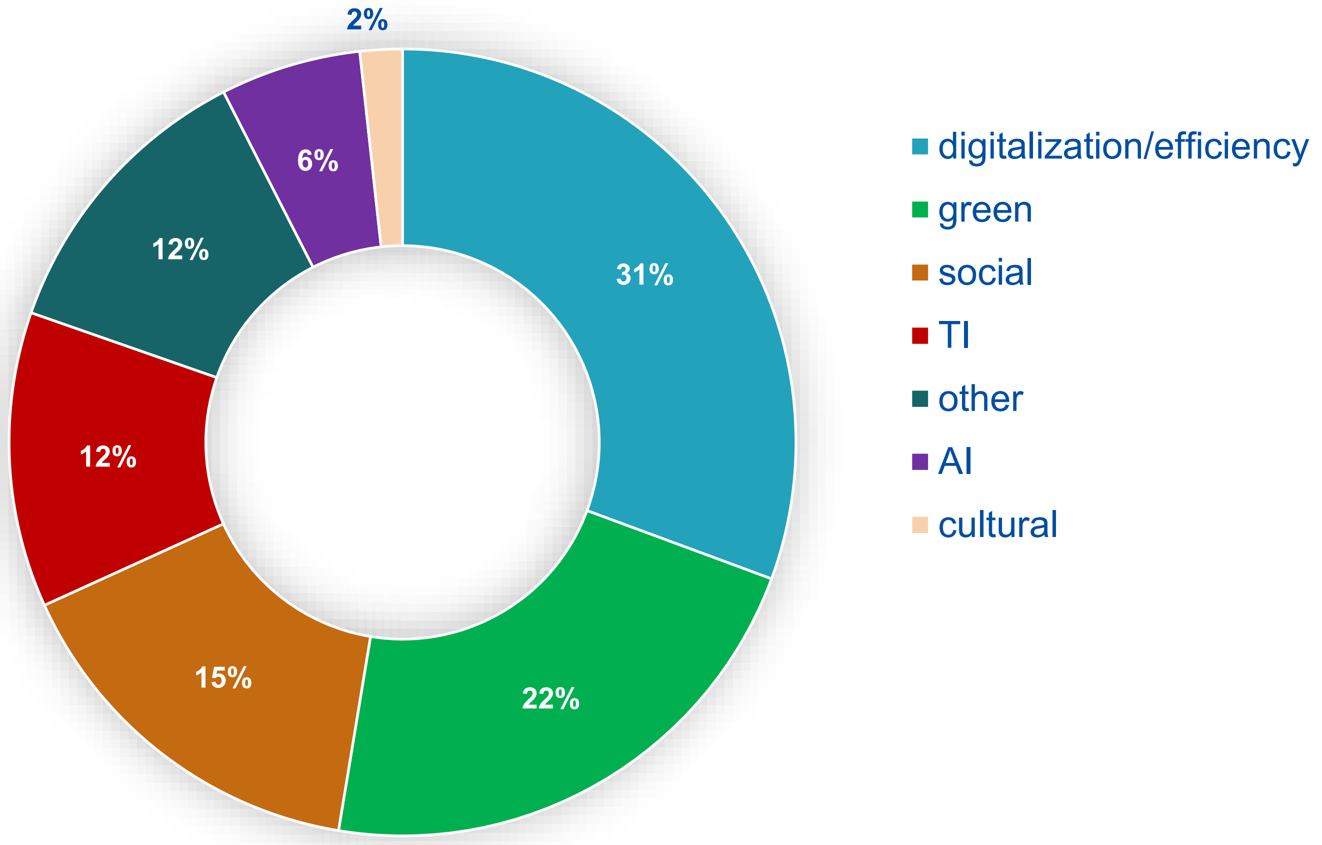
IP by Policy Objective

(based on the number of contracts awarded, incl. outliers)

- We split the different Contract Award Notices in categories following the policy objective of the procurement
- “Green“ and “Digitalization“ result to be the most frequent types used
- Flagged out cases in which AI is at the core of the development of the new solution (10 in total)



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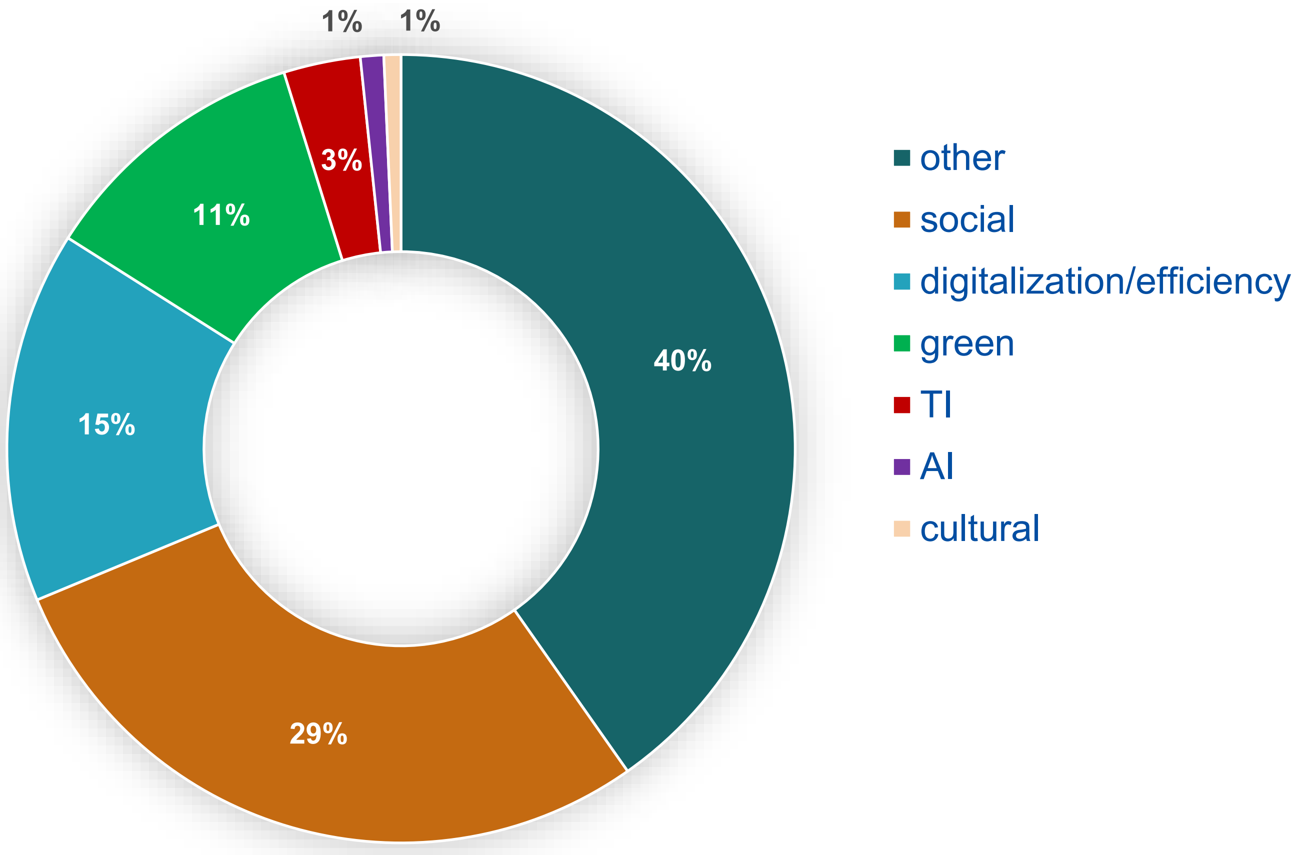
IP by Policy Objective

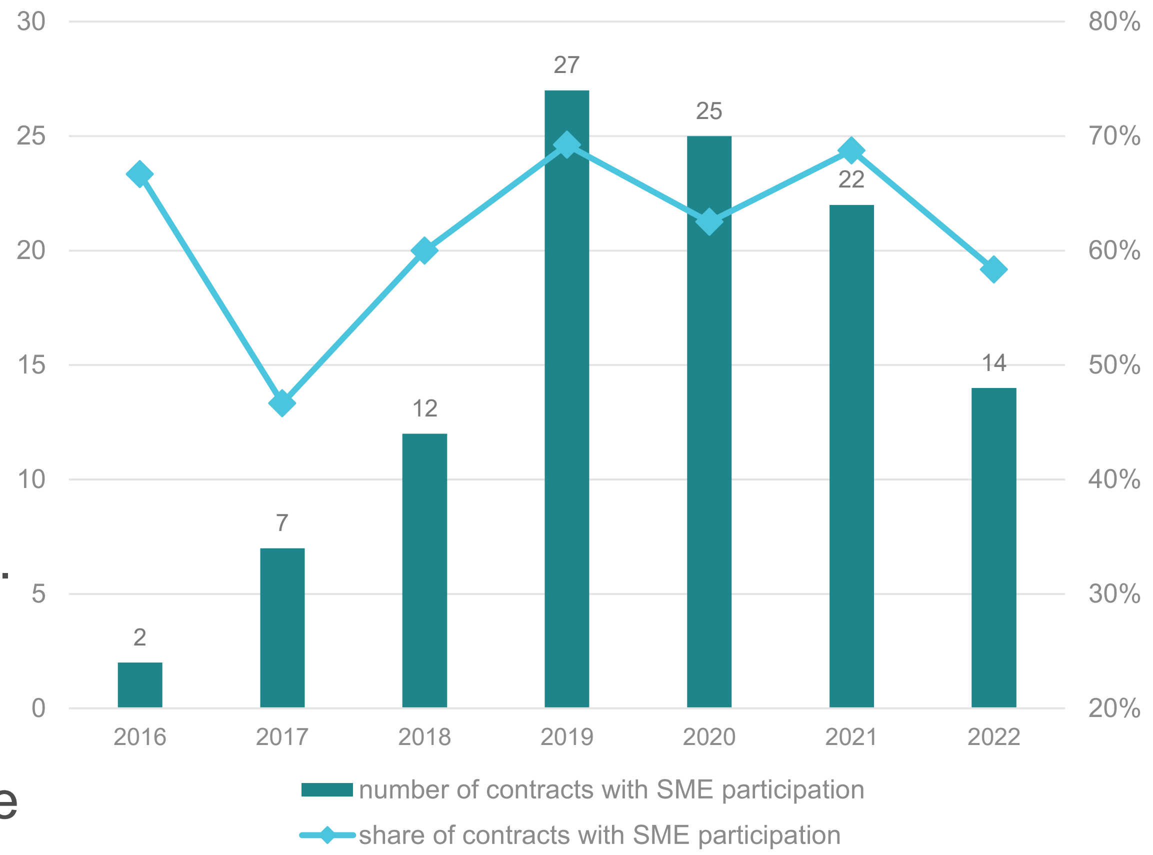
(based on the value of contracts awarded, excl. outliers)

- We split the different Contract Award Notices in categories following the policy objective of the procurement
- “social“ resulted to be the main policy objective in terms of contract value after the more aggregated cluster “other”
- AI only account for only 1 % of the cases bases on contract value compared to 6 % if based on number of contracts

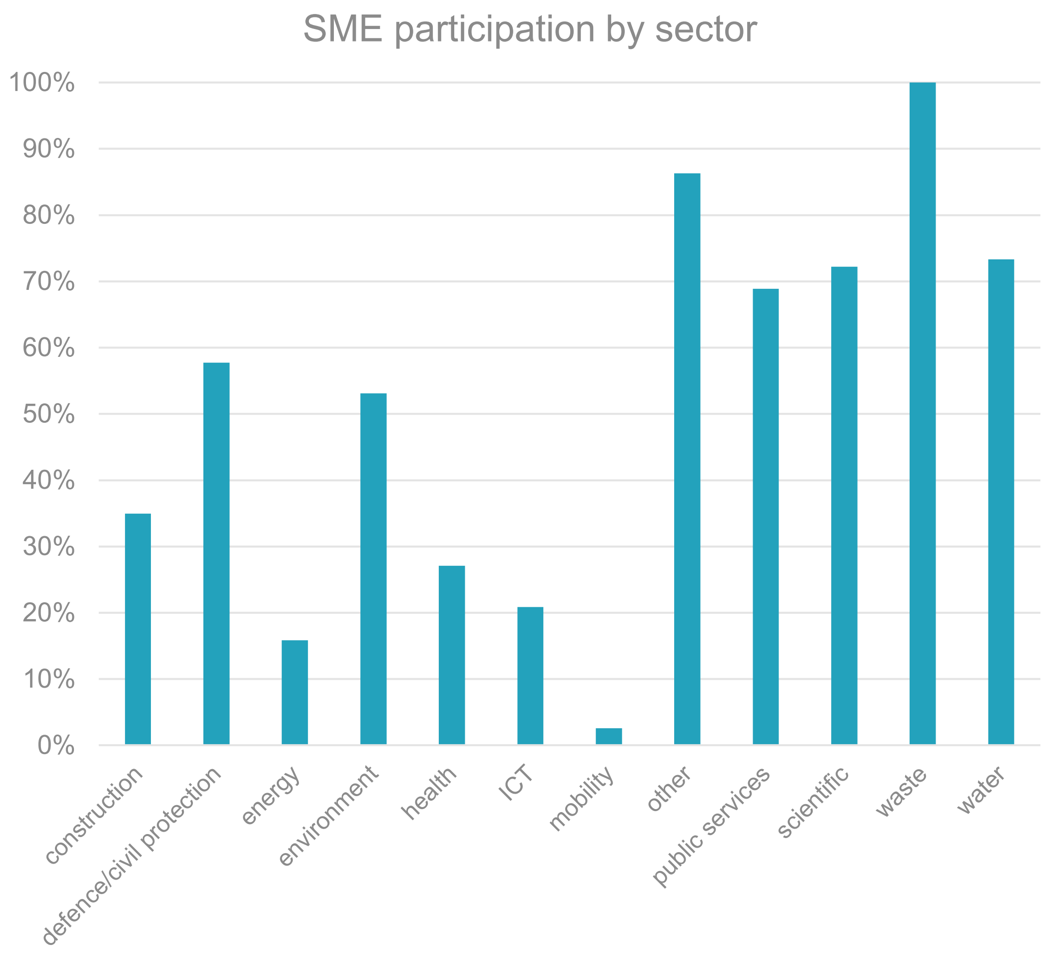


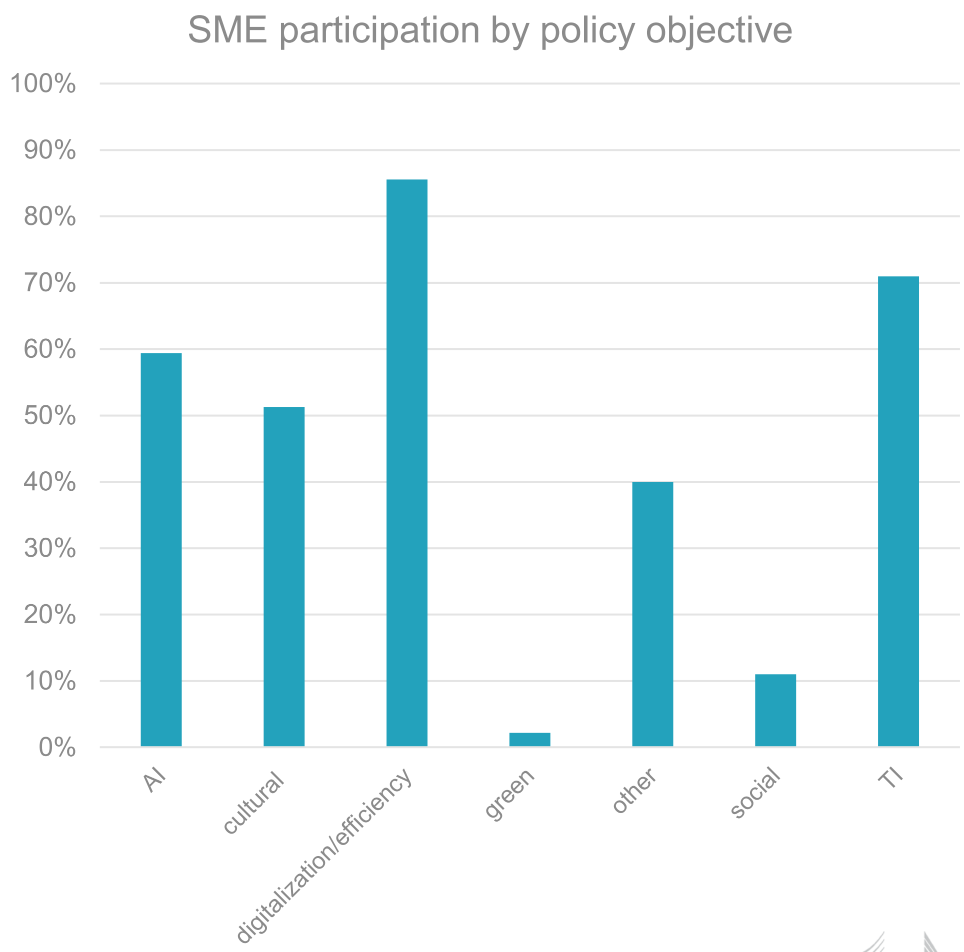
SME participation in IPs
(based on the number of contracts awarded, incl. outliers)

- 109/173 contracts have been awarded with participation of SMEs (~63%)
- The number increased until 2019 falling since the pandemic, while the share of SME participations remained fairly stable
- Contract value awarded with SME participation: 741m € (44% of total value, excl. outliers)
- SME participation is distributed relatively evenly across sectors and mostly following the distribution of all contracts awarded by sector



SME participation in IPs
(based on the value of contracts awarded, incl. outliers)





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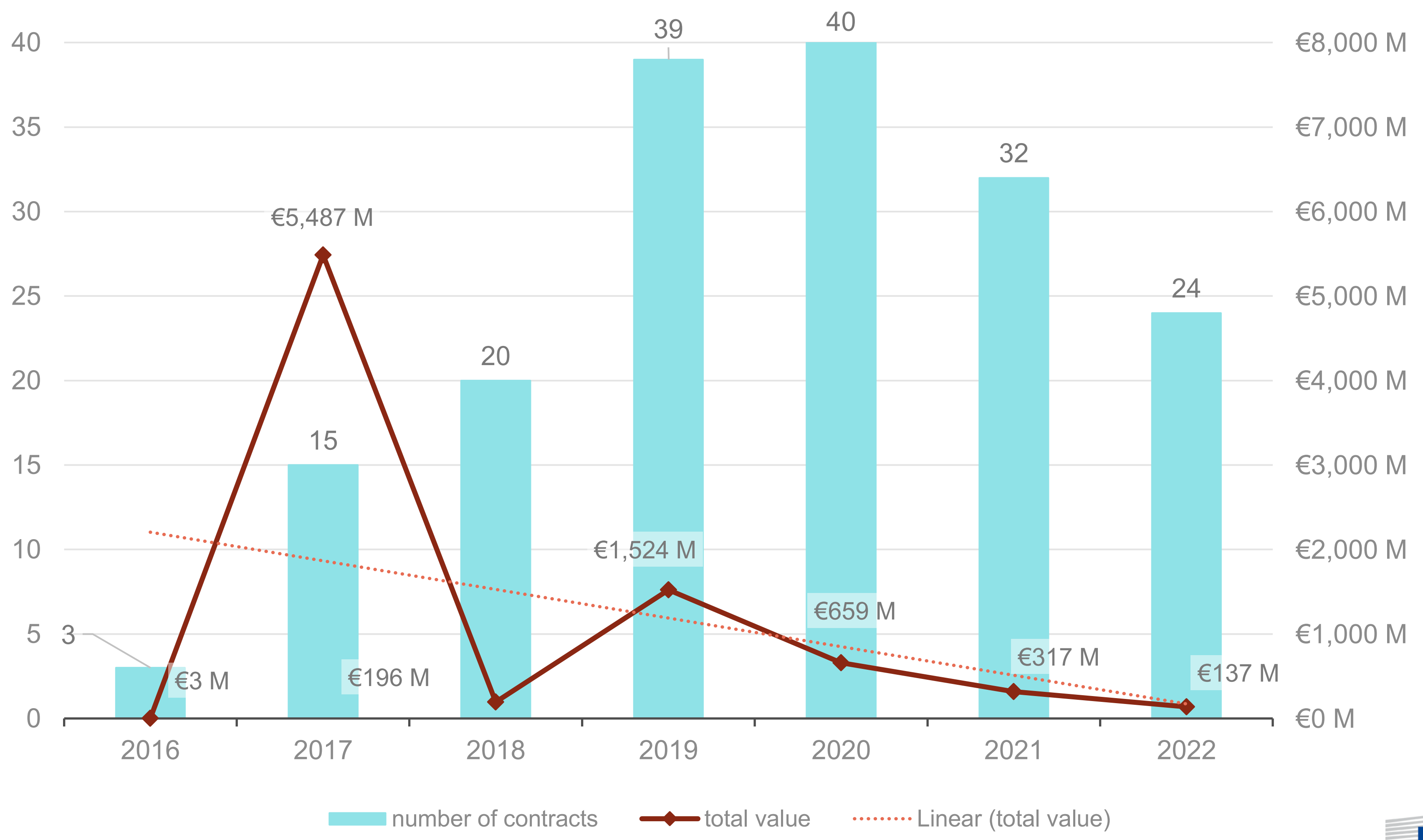
Thank you!

ANNEX

Assumptions & Conclusions

- We tried to depict the situation as accurately as possible; there are strong differences in value between the single contracts, ranging from <10.0000 € to over 5bn € for a single contract; this naturally distorts the graphs displaying the contract value, whenever sensible we therefore present graphs both with and without outliers.
- The assignment of a sector and policy objective is based on the (sometimes limited) information available in the CANs or CNs. The actual distribution may therefore differ to some extent.
- It is not straightforward to compute the value of an IP: contracting authorities might include different elements in the published contract value, some only including the R&D phase, some including the whole project costs; this might explain part of the big differences in value in the contracts observed.
- If 2 or more lots were attributed, those were counted as one case and the value was summed up.
- For 47 true cases identified by CNs, despite repeated attempts to contact the contracting authority, it was not possible to obtain information on the outcome of the procedure; these missing values could affect the overall picture and slightly alter the conclusions.

Total value of IP contracts awarded
(excl. outliers)



Mean and median contract value
(excl. outliers)