Growing impact at Member State level



PCP and PPI in ESIF: PL, FR,... EE, LV develop innov. proc. strategy

DE, PL put innov. proc. in R&D&I strategy IT (\in 150M), ES (\in 250M) to PCP/PPI struct funds Baltics (LT, LV, EE) join Norden agreement FR sets 2% target for innov proc.

NO, FI, SE, DK, IS min. agreement on cross border innov. proc. collaboration (including 2,5% target)

AT, NO, DK, IS, IT include innov. proc. in R&D&I strategy ES (3%), NL and UK (2,5%) set expenditure target for innov. proc.

FI, SE, ES, Flanders (BE) launch support program & competence center for procurers

FI, SE, ES, Flander (BE) include innov. Proc. in R&D&I strategy

UK NHS and MOD PCPs and PPIs, NL launching customer (PPI)

2008 2009 2010 2011 2012 2013 2014-15

Growing impact at European level



1st CNECT funded PPI Starts. deploys € 17,2M ICT solutions for elderly

H2020 CNECT PCP + PPI calls € 20,5 + 38M

H2020 and ESIF reinforce PCP/PPI support.

EUCO conclusions asking for better balance supply & demand + link with VC

First FP7 PCP projects launch call for tenders

PPI and PPI calls in ICT (€ 10+35M)

First FP7 'open' call for PCPs (€ 8M)

1st FP7 call for 2 PCPs (€ 6M)

Europe 2020: IU and DAE targets for PCP and PPI

FP7 & CIP: awareness raising/networking procurers

Council & EP conclusions on PCP

2008 2009 2010 2011 2012 2013

2014-15

Progress PCP implementation Learn from first mover

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|---|--|--|------------------------------------|---|--|
| | eness Raising ing possibilitie | | wission Fra Working on | mework ident and/or pilots in preparation | Pilots 2007 |
| Malta Denma L Bulgaria Slovakia Cy France Luxembourg Switzerland | atvia Es [:] Romania prus | tonia Norw Slovenia reece Germ Italy Aust | vay Sweder Spa nany Finla | in nd | Netherlands UK |
| Framework identified Awareness Raising Working on and/or pilots PCPs projects ongoing Exploring possibilities framework in preparation 2014 | | | | | |
| Malta Bulgaria | Latvia | Lithuania Poland | Estonia Romania Spair | Ireland | Sweden Netherlands |
| Cyprus Slovenia Luxembourg Switzer | Iceland land Hung | Czech Republic Jary | Greece Slovakia Portugal | Denmark France | UK Norway Belgium Italy Germany Austria |
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First pioneer projects are there now. Still major effort needed to mainstream this

Evidence on impact from successful examples



- Shortening of time-to-market: UK National Health service PCP examples achieve reduction from several years to 18 months
- Attracting venture capital: Companies in UK NHS PCPs attract significant VC investment, enabling them to grow faster
- Creating lead markets: Companies in UK ministry of defence PCPs are selling now also to US department of defence
- Retaining lead market position: possible via sustained PCP/PPI procurements (e.g. 60 ys of supercomputing PCPs -> IBM, Cray, HP)
- 20% cheaper products and higher product quality: evidence from US defense multi competitor, multi phase PCP-PPI procurements
- Removal of supplier lock-in -> 20% cost reduction: outcome of benchmarking of CHARM PCP on new traffic management centres thanks to move towards open architecture via PCP
- Benefits on local economy: Estonia PPI buying Mitsubishi electric vehicles increased local Estonian economic activity in related sectors

Increased EU support for PCP/PPI

2014-2015: Horizon 2020: <u>€130-140 million</u>*

- 9 areas expect to cofund PCPs
 - 1 in e-Health, 6 in ICT, 1 in security, 1 in research infrastructure

European Commission

- 6 areas expect to cofund PPIs
 - 1 in e-Health, 3 in ICT, 1 in Transport, 1 in research infrastructure
- 11 areas expect to support networks of procurers preparing future PCPs/PPIs
 - 1 in bioeconomy, 4 in Energy, 2 in Climate, 2 in ICT, 1 in security, 1 in research infrastructure
 - + Galileo/GNSS activities + possible Geant research infrastructure procurements

* Depends on actual take-up/proposals received

For comparison (funding in previous years in FP7 & CIP)

2013: <u>€ 94 million</u> 2011-2012: <u>€ 42,9 million</u> 2009-2010: <u>€ 4,5 million</u>