



**BUSINESS
SCHOOL**

BAROMETER INNOVATIVE PUBLIC PROCUREMENT IN BELGIUM

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About This Barometer



Rethinking the way that government organizations purchase goods and services is a vital step in dealing with the present-day challenges faced by the public sector. The post-2008 austerity measures force government organizations to reduce waste in public expenditure in order to allocate the shrinking budgets as efficiently as possible. Public procurement, representing an important share of public expenditure, can be **a key element in realizing these efficiency goals**. Additionally, the demand of public organizations may influence the development and diffusion of innovations. In this sense, public procurement, if used wisely, can **add fuel to the 'innovation engine'**, thereby allowing the public sector to support the private sector without the use of traditional state aid.

This "*Barometer Innovative Procurement in Belgium*" aims to serve a dual purpose:

- (1) **To untangle the broad term 'innovative procurement' and shed light on the various interpretations** that different actors give to it. To this end, we discuss the Procurement Matrix which describes public procurement along two dimensions. This framework is intended to summarize the different interpretations into one 2x3 matrix. By untangling the term, we hope that confusion can be avoided in future discussions, and in that way contribute to fruitful cross-organizational cooperations.
- (2) **To provide an overview of various initiatives in Belgium that are focusing on the topic of innovative procurement.** While it is refreshing to see that many actors take an interest in innovative procurement, it is important to keep a clear view on who is doing what, the triggers to change, and the challenges going forward. To this end, we provide a brief description of the primary initiatives in Belgium. We hope this contributes to pinpointing potential opportunities to learn from one another.

It is important to note that this barometer does not aim to be an exhaustive overview of innovative procurement initiatives in Belgium. Rather, by talking to a wide array of actors, we have tried to identify the key initiatives. During these interviews, no other substantial initiatives were named, leading us to believe that many of the other Belgian stakeholders stick to the traditional way-of-procuring.

The barometer is the result of semi-structured interviews with various stakeholders in Belgium (federal, regional, and local level), a round table conference organized on 20/04/2017, policy reports, and academic literature.

We would like to explicitly thank the various federal, regional, and local organizations that have provided input for this barometer.

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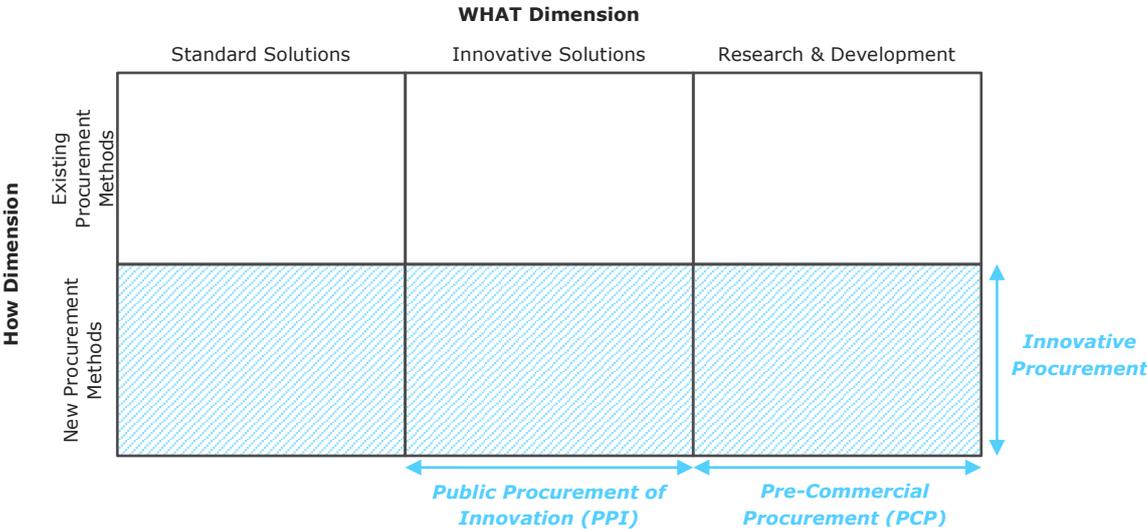
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Towards a Definition of Innovative Public Procurement

Innovative procurement is a broad term, as exemplified by the different meanings that are attributed to it in interviews, policy reports, and academic literature. This section aims to provide a definition of the term 'innovative procurement' and to position it relative to other terms. Public procurement can be defined along two dimensions:

- **WHAT dimension:** The what-dimension describes the object of the procurement process. This can either be a standard solution, an innovative solution, or Research & Development (R&D). **Standard solutions** refer to existing, traditional products such as a standard diesel car. These are the typical, well-established products that governments turn to when they want to purchase something. **Innovative solutions** are newly developed products. Because they have only just been developed, they have a small market share and are yet to convince more customers. In this case, the government acts as a (quasi)first buyer of the innovative, commercial end-solution that is new on the market. An example being electric cars. **Research and Development** refers to the development of new innovative solutions. There are no near-to-the-market products yet, and R&D is still needed to develop a commercially-stable solution. This precedes the commercialization phase of the product, and includes R&D activities such as solution design, prototyping, and development of a test series.
- **HOW dimension:** The above solutions can either be purchased using existing procurement methods or using new procurement methods. Taking the example of e-procurement to emphasize the difference: procurement was originally done exclusively on paper and through registered mail. However, the rise of the internet made procurement possible using an electronic platform (i.e. a new method), removing the need for administration on paper. This resulted in increased transparency, enhanced competition, and cost savings.

The term innovative procurement ("innovatief inkopen"), in a strict sense, refers to new, innovative procurement methods. That is, buying something in an innovative way – i.e. a way that is not usual for the situation in which the procurement is being undertaken in order to make the process more efficient and effective. It is not to be confused with a different term commonly used in the same context, being innovation procurement ("innovatiegericht inkopen"). **Innovation procurement indicates the procuring of innovation (i.e. innovative solutions).** This may or may not be done in an innovative way, indicating the overlap between the two terms. Nonetheless, it is important to adopt a strict division between the two terms in order to avoid ambiguity.



Challenges Related To Innovative Public Procurement

A key challenge identified throughout interviews and discussions to innovate the public procurement process, for whichever goal, is the **lack of an innovative legislation**. That is, many stakeholders have indicated that they are missing a legislative framework that would underlie a more innovative way of procuring and provide the necessary flexibility in procedures. Rather than finding 'loopholes' in the current legislation and procuring 'creatively' (instead of truly innovative), it is believed that innovative procurement requires an innovative legal framework. In this regard, the legislation was identified as a root cause; by tackling this issue, other missing building blocks (e.g. mindset) would follow. **Regulation should be adapted using a bottom-up approach**, after having clearly observed what is happening on the ground and after an analysis of how legislation could support this. It has also been noted that the legislative body/-ies in Belgium have the tendency to overregulate. An example was given of the transposition of the latest EU Directive 2014/24/EU, which, contrary to recommendations of members of the Commission Public Procurement ('Commissie Overheidsopdrachten'), is more restrictive than the Directive prescribes. In this sense, it could be argued that the **Belgian legislator aims to limit the breadth of responsibility that is shifted to the purchasing government**, whereas innovative procurement would require a large(r) degree of responsibility.

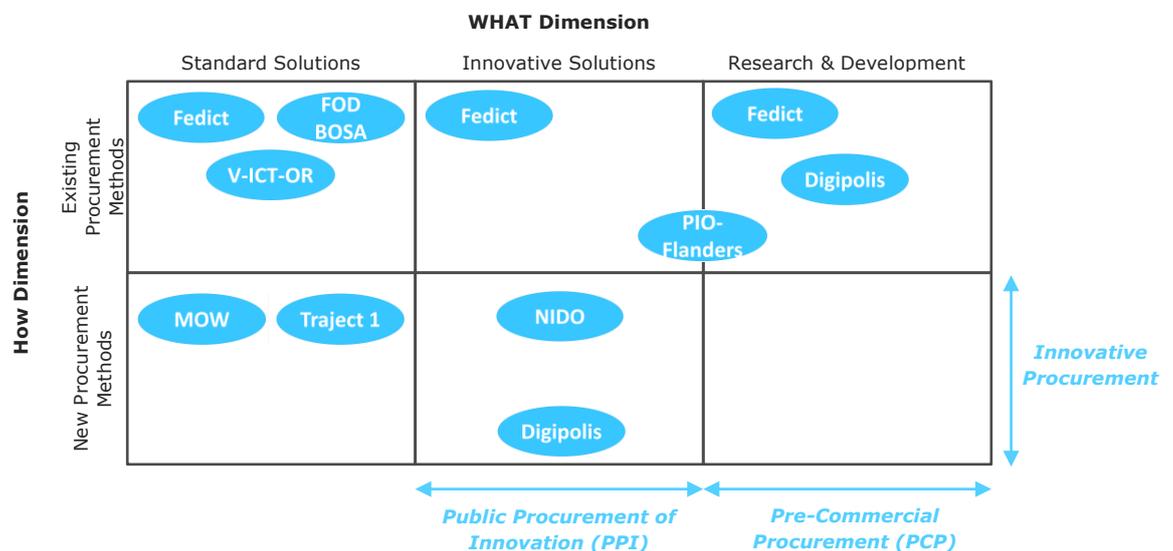
Another building block that was indicated as essential, and is related to the above mentioned lack of a legislative framework, is a **shift in mindset. The starting point should be customer centricity – placing the customer in the centre of the procurement process**, and understanding how the process can be used to best translate his needs into a solution. Many differences in mindset exist between the various departments, with some of them adopting a (too) rigid procurement process with lots of administrative steps. Changing this traditional mindset **towards a value-for-money, lean attitude** and daring to take the jump, will not be an easy step, as evidenced by the case of Digipolis in Antwerp. A clear role was also identified for the control bodies, who could be a serious impediment towards changes in the procurement process. A possibility that was put forward to facilitate this mindshift was to have departments allocate x% (e.g. 3%) of their budgets for the procurement of innovation. However, an important side note here is again the difference between innovation procurement and innovative procurement: it is not by allocating x% of the departmental budgets to innovative solutions ('innovation procurement') that these departments will also contemplate how they can change the process through which this innovation is procured ('innovative procurement'). A possible way to accelerate this mindshift is through **the establishment of an innovation network with governmental and business stakeholders**. This community could form the basis to jointly refine, enrich, and share knowledge.

The above elements can serve as a springboard for the increased involvement of SMEs and startups in public procurement. To this end, the government and the **public procurement process has to be made sexier in order to appeal to these small firms**. A crucial element in this is the current e-Procurement platform, which was characterized as being rather rigid. Different stakeholders of the various levels of government also identified some issues with the user-friendliness of the platform. Consequently, **the creation of other, more streamlined e-channels should be stimulated**, even if these are developed at a local level. The suggestion to put a shared layer on top of these different platforms (e.g. an overarching portal) was put on the table in order to provide a common input for the e-channels. Furthermore, **a role was identified for the professional associations** – such as UNIZO, VOKA, and VLAIO – to not only steer SMEs towards public procurement, but also to inform and educate them. Other ways that were put forward in order to increase the appeal of public procurement towards SMEs was (1) **to systematically provide spontaneous feedback** of their performance during the procedure, and (2) **to publish a challenge rather than an in-depth description of the desired solution**, and to do so in short documents that are written in understandable language (instead of legal jargon).

In short, the above elements can be summarized into a handful of core principles that can be said to underlie innovative procurement: **(1)** to provide a supportive legal framework, **(2)** to dare to take risks and fail, **(3)** to place the business in the lead, **(4)** to actively share knowledge, **(5)** to provide more accessible tenders, **(6)** to support the learning curve of companies by providing spontaneous feedback, and **(7)** to adopt an attitude of transparency & openness.

Populating The Procurement Matrix in Belgium

Through semi-structured interviews with a wide array of actors on the federal, regional, and local level, we have **identified the key initiatives related to innovative procurement in Belgium**. The following section maps these initiatives vis-à-vis one another in the Procurement Matrix, and provides a one (and a half) pager for every initiative detailing a brief description, the aspects that triggered the initiative to question the traditional way-of-working, the innovation procurement components that they have implemented together with their partners, and the challenges they face towards the future.



The following abbreviations are used:

- **Digipolis:** Digipolis Antwerp
- **Fedict:** FOD BOSA DG Digital Transformation (previously: Fedict)
- **PIO-Flanders:** Flemish Program For Innovative Public Procurement
- **FOD BOSA:** e-Procurement Platform FOD BOSA
- **MOW:** Flemish Department of Mobility and Public Works
- **NIDO:** NIDO Innovation Lab
- **Traject 1:** Traject 1 of Federal Redesign Program
- **V-ICT-OR:** Flemish ICT Organization V-ICT-OR

The comparison shows that **only a limited number of initiatives take steps towards changing the procurement process**. A majority of Belgian public sector organizations adhere to the traditional way-of-procuring, which can be explained by the barriers referenced in the previous section. Nonetheless, the blind spot in the 'New Procurement Methods' row of the matrix indicates a clear opportunity for improvement. If public procurement is viewed as a means to an end, a streamlined procurement process may allow government organizations **to spur the development and diffusion of innovation**. Additionally, by reducing waste in the typically rigid process, it is possible to purchase goods and services in a cheaper way, allowing more to be done with the limited budgets.

DIGIPOLIS

Digipolis is the public, non-profit ICT service provider for the various public sector organizations in the City of Antwerp. The company supports the city in its ambition to offer comprehensive digital services to its residents, businesses, visitors, students, and so on.

In 2015, Digipolis realized that in order to keep up with the fast pace of technological innovations, it needed to radically **change the complex procurement process**. Through a comprehensive overhaul of the old way-of-working, in cooperation with Startups.be and iMinds, the number of startups and SMEs that submit offers significantly increased (see dashboard below). Simultaneously, Digipolis **co-creates the solutions** together with the companies through a system of pitches and presentations.

Time Period: June 2015 – March 2017



Triggers For Change

- Technological innovations are typically located at startups and SMEs... but the current process is too complex for them
- No opportunity to co-create solutions together with the companies
- No room for creativity by the companies; solutions are predefined by the purchaser in the calls for tenders
- Budget cuts force to think out-of-the-box

Innovative Procurement Components

- Co-creation of the new procurement process together with startups and SMEs
- Lean procedures without unnecessary administration
- Functional procurement; publishing a challenge rather than an in-depth description of the desired solution
- Co-creation of solutions together with companies through tournaments (pitches)
- Limited project scope; split-up projects in smaller pieces that are manageable by startups and SMEs
- DigAnt Café: Community of interested organizations, citizens and academics that actively share knowledge and ideas
- Antwerp City Platform as a Service (ACPaaS) with small reusable components
- Organizational changes (cultural mindshift, agile, etc.)

Partners

- Startups and SMEs
- Startups.be
- iMinds
- V-ICT-OR (Blockchain Proof Of Concepts)

Challenges Going Forward

- Expanding the lean procedures to more expensive procurement contracts
- Possibility to have more than one company execute a contract if this would be beneficial
- Object of the purchase should be allowed to change based on new insights gained throughout the procurement process

FLEMISH PROGRAM FOR INNOVATIVE PUBLIC PROCUREMENT (“PROGRAMMA INNOVATIEVE OVERHEIDSOPDRACHTEN”)

In July 2016, the Flemish Government launched the Program for Innovative Public Procurement. It is an initiative from the **Flemish Department of Economy, Science and Innovation (EWI)**, and from the **Ministry of Philippe Muyters**, Flemish Minister for Work, Economy, Innovation and Sports.

The program aims to use the large buying power of the Flemish public sector **to stimulate innovation**. More specifically, the program encourages the various public sector organizations to purchase Research & Development and Innovative Solutions, rather than consistently turning towards traditional standard solutions. By submitting proposals, the purchasing organizations can receive **information, guidance, and even cofinancing** throughout the purchasing process (*e.g. which procurement procedure to use best?*).

Focus of the Flemish Program for Innovative Public Procurement

WHAT	DESCRIPTION	HELP OFFERED TO PURCHASING ORG.
Research & Development	Development of new solutions (<i>e.g. an innovative system to automatically subtitle TV programs</i>)	Partnership and co-financing
Innovative Solutions After Test Phase	Newly-developed solutions that are only just launched on the market; these solutions still need to be validated (<i>e.g. new products to insulate immovable heritage</i>)	Partnership and co-financing
Innovative Solutions	New solutions that have been on the market for some time but are yet to capture significant market share (<i>e.g. electric cars</i>)	Guidance and raising awareness
Standard Solutions	Existing, traditional standard solutions (<i>e.g. traditional diesel cars</i>)	Not part of focus

In a first step, the focus is primarily on convincing the various public sector organizations of the benefits of buying more innovative solutions and **attracting new projects**. Changing the procurement process is, at this stage, not the aim of the program.

Triggers For Change

- Visie 2050: Innovation is seen as a way to face the social, economic, and ecological challenges that Flanders is facing
- Under-utilization of the public sector’s purchasing power as a strategic policy instrument

Innovative Procurement Components

- Market consultation: A multi-disciplinary team guides the purchasing organisation with the market consultation in order to better understand the feasibility of and the necessary conditions for the project

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- Reinforcing the competitive position of Flemish companies

Partners

- Flemish departments and agencies
- Departement Kanselarij en Bestuur
- Agentschap Innoveren & Ondernemen
- Facilitair Bedrijf
- OVAM (circular purchases)
- Digipolis
- VVSG
- Vlaams Energiebedrijf
- Eafip
- European Commission DG CONNECT

Challenges Going Forward

- How to increase the number of innovative projects submitted by Flemish public sector organizations? Many government organizations lack an innovation strategy, and find it difficult to define their innovation needs
- Convincing buyers to allocate a part of their budget and time towards procuring R&D and innovative solutions
- Not only convincing policymakers but also the buyers (who do the actual purchasing) of the benefits

FLEMISH DEPARTMENT MOW (“MOBILITEIT EN OPENBARE WERKEN”)

As a Flemish public sector organization, the Department MOW (Department of Mobility and Public Works) executes the aforementioned Flemish Program for Innovative Public Procurement (“Programma Innovatieve Overheidsopdrachten”). Within the department, a **steering committee “Procurement 2.0”** has been established, aimed at realizing a more efficient way of procurement that is a win-win for all parties. The scope of the steering committee has been set to **‘contract innovation’**, which is defined as *“using innovative contract clauses and contract types that stimulate the supply side to make innovative proposals, or that are able to generate significant efficiency & effectivity gains”*.

The department has 3 major initiatives related to innovative procurement:

1. **e-Delta:** e-Delta is a modern contract management system that supports the purchasing government in the administrative process of creating and managing procurement contracts. The system is complementary to the existing e-Procurement platform, but allows for a more uniform process by running through the procedures step-by-step and doing so entirely digital.

Additionally, it interfaces with a wide variety of other systems & applications, making it possible to re-use previous data, to take into account historical performance of companies, and to easily generate reports. The tool is being (further) developed by the Department MOW, but will be rolled out to the entire Flemish Government.

2. **Procurement Portal + e-Loket:** A digital portal will provide companies with a central access point to information and applications related to public procurement contracts, throughout the lifecycle (from creation to execution of the contract). The centralized location should lead to increased transparency, less wasted time & resources, easier access to info & apps, and less mistakes. In general, it should increase the number of companies that submit offers by providing an easy-to-use access point.

The portal will also include an “e-Loket”, allowing the purchasing government and the company to communicate and exchange information in a digital, transparent and safe environment (e.g. to send and/or approve missing or extra documents). By doing so through a digital, structured platform, the need for admin on paper is removed, leading to a drop in costs, increased efficiency, and a more transparent procurement process.

3. **MEDIAAN (Medium voor Economische Data, Informatie en Applicaties over Overheidsopdrachten/Medium concerning Economic Data, Information and Applications on Public Procurement):** MEDIAAN is an online platform that gathers a wide array of applications, databases, and other instruments related to pricing of public procurement contracts and cost engineering aspects with regard to infrastructure projects. A key characteristic of the platform is the use of historical data from past tenders to provide the purchasing government support for pricing analysis, pricing assessment, and pricing review.

In a first step, the MEDIAAN platform is intended to be used by the Department MOW (Department of Mobility and Public Works), Agentschap Wegen & Verkeer (Agency for Roads and Traffic), Agentschap Maritieme Dienstverlening en Kust (Agency for Maritime Services and Coast), De Vlaamse Waterweg nv (Flemish Waterways plc), and De Lijn (Flemish Public Transport Company). By 2018, the platform should also be (partly) opened up to other parts of the Flemish Government, to consultancy and engineering service providers, and to contractors. It is possible that, in a later stage, the platform would also

become accessible to other governments and/or stakeholders, but that remains undecided at this moment.

Triggers For Change

- Companies do not have easy access to up-to-date and comprehensive information
- Non-streamlined process of communication between the purchasing government and the companies; often a slow, expensive process with duplicated steps
- The current contract management tool does not offer extensive support

Innovative Procurement Components

- e-Delta system
- Procurement portal + e-Loket
- MEDIAAN

Partners

- Agentschap Wegen & Verkeer
- Agentschap Maritieme Dienstverlening en Kust
- Vlaamse Waterweg
- De Lijn
- Federations and professional associations (private sector)

Challenges Going Forward

- Companies have to be convinced of the value that these changes offer for them; they have to be stimulated to invest resources in the changes (e.g. by taking the time to understand what the changes can mean for them)
- The changes not only have to be tailored to the specific needs of the Department MOW, but to the broader needs and wishes of the Flemish government
- The proposed solutions need to be convenient and efficient, in order to convince all the relevant actors in the Flemish Government to leave behind the old way-of-working, and adopt these new systems

TRAJECT 1 FEDERAL REDESIGN

Traject 1 of the Federal Redesign Program centres around the implementation of a **centrally coordinated, end-to-end platform for federal purchases**. The program aims to increase the percentage of joint purchases from 5% to 25-40%. This should result in increased transparency, ease-of-use, and shorter lead times. The program is based on 4 fundamental pillars:

1. A strong **federal governance (“aankoopoverleg”)** to identify, coordinate, and decide on common needs across the vertical entities. Strategic and operational coordinators will gather in a strategic body (“SFA”) and an operational body (“TOFA”) respectively.
2. A **horizontal service centre** with four primary functions:
 - a) To serve as a knowledge centre for the vertical entities in order to answer questions related to market mapping, trends, etc.
 - b) To provide legal advice and guidance
 - c) Requirements planning across the entities in order to create proposals for joint purchases
 - d) To create and maintain the platform, tools, and apps needed for efficient group purchasing
3. Within the vertical entities, **increase in visibility** of the purchasing decisions and multi-annual consolidation of needs.
4. A key enabler for the Traject 1 program is the **end-to-end Cloud platform**. The platform will allow to identify joint purchasing needs, and support the procurement process from source-to-pay.

Triggers For Change

- Lack of transparency of procurement across the different vertical entities
- Inefficient organization of group purchases; missing out on important economies of scale due the low percentage of grouped purchases
- Limited knowledge shared across vertical entities

Innovative Procurement Components

- Implementation of a federal governance (e.g. strategic & operational consultative bodies)
- Creation of a central service centre
- Procurement processes aligned across vertical entities
- Digital platform across vertical entities that connects with the different ERP-systems

Partners

- KPMG
- Vertical entities (FODs, PODs, Defence, Federal Police)

Challenges Going Forward

- Generating sufficient buy-in from the vertical entities to centralize and professionalize procurement processes
- Building the service centre on a solid foundation of knowledge

NIDO

NIDO (Nurturing Ideas, Developing Opportunities) is an **innovation lab** set up in the context of the FOD BOSA, aiming to become an engine of **innovation and continuous improvement** within the various entities of the Federal Government. To this end, the lab wants to help civil servants that have innovative ideas for challenges that government agencies are facing, providing them with support in the context of the NIDO 'safe house'.

NIDO sees innovating the procurement process as a vital first step in stimulating innovation within the Federal Government. That is, it wants to avoid future innovative projects to be **slowed down by the overly rigid & complex procurement process**. The focus is put primarily on how the **procedure for purchases <85.000 EUR/100.000 EUR** can be made more customer-centric, which is seen as the procedure that most of its future projects will use.

Triggers For Change

- Federal Government is lagging behind in innovation and cultural change
- Budget cuts force to think about how to achieve a more efficient and lean government
- Lack of trust and flexibility in the top layers of the public administrations
- Innovative projects should continue being supported after the conception phase

Innovative Procurement Components

- Faster OPZB procurement procedure
- Limited project scope; split up projects in smaller & flexible components that are manageable by startups and SMEs

Partners

- Startups and SMEs
- Government departments and agencies

Challenges Going Forward

- Challenging the long-established procurement procedures in the different government entities
- Change the mentality of civil servants; abandon the traditional end-to-end thinking
- Generate buy-in to use a new, leaner procedure
- Motivate startups and SMEs to work for government entities

V-ICT-OR

V-ICT-OR, the Flemish ICT organization, is the membership organization for those involved in ICT and information management at Flemish local governments. The organization aims to be **a forum for knowledge sharing, best practices, service management, networking, and collaboration**. The company also serves as intermediary between on the one hand the local governments, and on the other hand the central governments (federal and regional) and the private sector.

In 2017, V-ICT-OR teamed up with Digipolis to launch **a challenge for blockchain solutions**. The project served as a way to get acquainted with a different way-of-working during the procurement process, and was successfully completed. The solution is currently being programmed.

However, apart from this blockchain project, V-ICT-OR holds on to **traditional procurement processes**. While it acknowledges the benefits of adopting less cumbersome procedures, the company feels that a **broader legal framework is missing**. Rather than finding the 'loopholes' in the current legislation and procuring 'creatively' (instead of truly innovative), they believe that innovative procurement requires an **innovative legal framework**. As redesigned procurement processes would have to be vetted by lawyers to ensure compliance with the legislation and avoid costly procedural errors, V-ICT-OR feels that it is not in a position to experiment. Consequently, an innovative legal framework could provide a solution for the company.

Triggers For Change

- Costly, and cumbersome procurement processes
- Too much administrative tasks are required when purchasing products

Innovative Procurement Components

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Partners

- Digipolis (Blockchain Proof Of Concepts)

Challenges Going Forward

- Missing legal framework; innovative procurement requires an innovative law
- The risk of costly procedural errors in case of innovating the procurement process

E-PROCUREMENT FOD BOSA

FOD BOSA is responsible for the **e-Procurement platform** and its various subplatforms, such as e-Notification, e-Tendering, and e-Catalogue, that is used throughout Belgium. The organization emphasizes the **innovative aspect of these platforms**: the online availability of procurement documents, a Q&A forum per assignment, a search function linked to the TED platform, possibility to submit tenders online, etc. It also actively undertakes **steps to increase the utilisation rate** of the e-Procurement platform. To this end, FOD BOSA organizes roadshows in the different provinces, together with the professional associations (e.g. VOKA), to give a demo of the platform to companies. Additionally, info sessions are organized by OFO-IFA to educate federal civil servants on the use of the platform. Regional and local governments wishing to better understand the platform can turn towards private companies accredited by FOD BOSA (e.g. Syntra).

FOD BOSA recognizes the **benefits that a more innovative e-Procurement platform** could bring. Among others, it identified shorter lead times, increased transparency, enhanced competition, and a higher participation rate of SMEs and social economy organizations. However, the organization emphasized the **barriers preventing significant changes to the e-Procurement platform**.

Budget constraints were identified as the primary barrier. Yearly budgets have decreased with around 50% (from 1.2 million EUR to 600.000 EUR), which is sufficient to keep up with the changing legislation but does **not leave room for experimentation**. Additionally, experimentation is also hindered because the e-Procurement platform is outsourced to the Greek e-procurement-specialized company, European Dynamics. They deliver a base platform for its various clients throughout the EU and make customizations (e.g. bi-lingual contracts in Belgium) where necessary; this essentially results in a quasi-monopolistic situation. Although usability improvements are possible, there is little room for significant changes and/or experimentation.

Another barrier that was identified is the **wide array of actors involved**, contributing to increasingly complex internal regulations for the procurement processes. A variety of necessary steps and checks & balances on average has led to procuring products more expensive than necessary. The idea was suggested to simplify this by providing a less complex legal framework and instead **shifting the full responsibility to the purchasing governments** (e.g. delegation rights at lower organizational levels).

Triggers For Change

- Keeping up with the changing legislation
- Increasing wide-spread use of e-Procurement platform

Innovative Procurement Components

- e-Procurement platform

Partners

- European Dynamics
- Regional governments
- Professional associations
- EU working groups
- Companies
- Accredited training institutions

Challenges Going Forward

- Budgetary constraints; shrinking budgets leave little room for experimentation
- Monopoly situation with provider of e-Procurement platform (European Dynamics)

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- Many different actors involved; complex internal regulation as a barrier for a more efficient process

FEDICT / FOD BOSA DG DT

Fedict, which was absorbed into FOD BOSA under the DG Digital Transformation, supports the Federal Government and federal organizations with their **digitalization journeys and strategies**. They offer advice, services and products related to new digital technologies.

Drawing from EU Directive 2014/24/EU, Fedict primarily emphasizes the **importance and added value of procuring innovation**. The organization clearly notes that while innovation and startups typically go hand in hand, startups should not be seen as a necessary condition to procure innovation. Instead, the organization states that **also other sources**, namely established incumbents, may be able to satisfy the move towards more innovative solutions.

In order to increase the number of procured innovations, Fedict is looking towards **a new legislative framework that would provide a fitting procedure**. Within the current legislation, it identified the negotiation procedure and design contest as most appropriate procedures. However, it also noted that these lack certain aspects, making them suboptimal as methods to purchase innovative solutions. Instead, Fedict is **awaiting the arrival of the innovation partnership**, introduced in EU Directive 2014/24/EU and soon to be transposed into Belgian national law.

Triggers For Change

- Keeping up with technological innovations
- Increasing innovation through the appropriate procurement procedure

Innovative Procurement Components

- Innovation partnership (awaiting)
- Design contest

Partners

- Federal, regional, and local departments and agencies

Challenges Going Forward

- Missing guidelines and a well-defined legislative framework with a clear procurement procedure for innovation



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