



MODULE 7	Emerging Issues in procurement
LECTURER	Prof. Jacob Edler
LECTURE TITLE	Public procurement of Innovation: concept, instruments, limits
OBJECTIVES	The objective of this course is to discuss with students procurement of innovation, its economic rationale, its pre-conditions and obstacles and its political support mechanisms.
DESCRIPTION	<p>Public procurement often involves the purchase of goods or services that are novel to the buying organisation or that do not even exist when the order is placed. Public organisations buy innovations in order to perform their service more effectively, because they have new tasks to perform or because they want to trigger the generation and diffusion of an innovation for political reasons.</p> <p>In the last 10 years or so, policy makers across the OECD countries, and in particular at European level, have started to rediscover public procurement of innovation as an explicit instrument for innovation policy. The idea is to mobilise public procuring authorities to ask for and buy more innovations, and by doing so to improve their service provision and at the same time trigger innovation dynamics on the supply side.</p> <p>A number of strategies and instruments have been designed and implemented for public procurement of innovation, including initiatives that buy R&D services to create solutions based on public demand, but without buying this solution (pre-commercial procurement).</p> <p>This module will discuss the economic rationale behind PPI and PCP as innovation policy tool. It will report on the obstacles and pre-conditions for successful PPI and PCP, drawing on numerous case studies and a unique survey of suppliers to the public sector. Introduce different processes and instrument to stimulate both PPI and PCP. It will then discuss the policy instruments that support PPI and PCP and explain their functionalities and limits.</p>
CLASS MATERIAL	Scientific Papers, Practitioners Reports, slides