

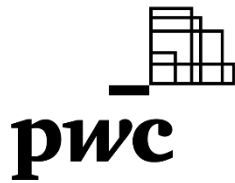


European
Commission



Synthesis report for the benchmarking of national policy frameworks for innovation procurement

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Introduction

This document contains chapter 3 of the final report for the 2024 benchmarking of innovation procurement policy frameworks. It provides key findings derived from the comparison of all the countries' performance, the commonalities and disparities across all countries and the trends that are observed over time since the previous benchmarking exercise. The report also provides a complete in-depth comparative analysis of the findings of the study regarding the benchmarking of countries in terms of innovation procurement policy frameworks. In addition to presenting national scores, it also provides an analysis of the main differences and commonalities between countries and clusters of countries, as well as a comparison with the previous benchmarking.

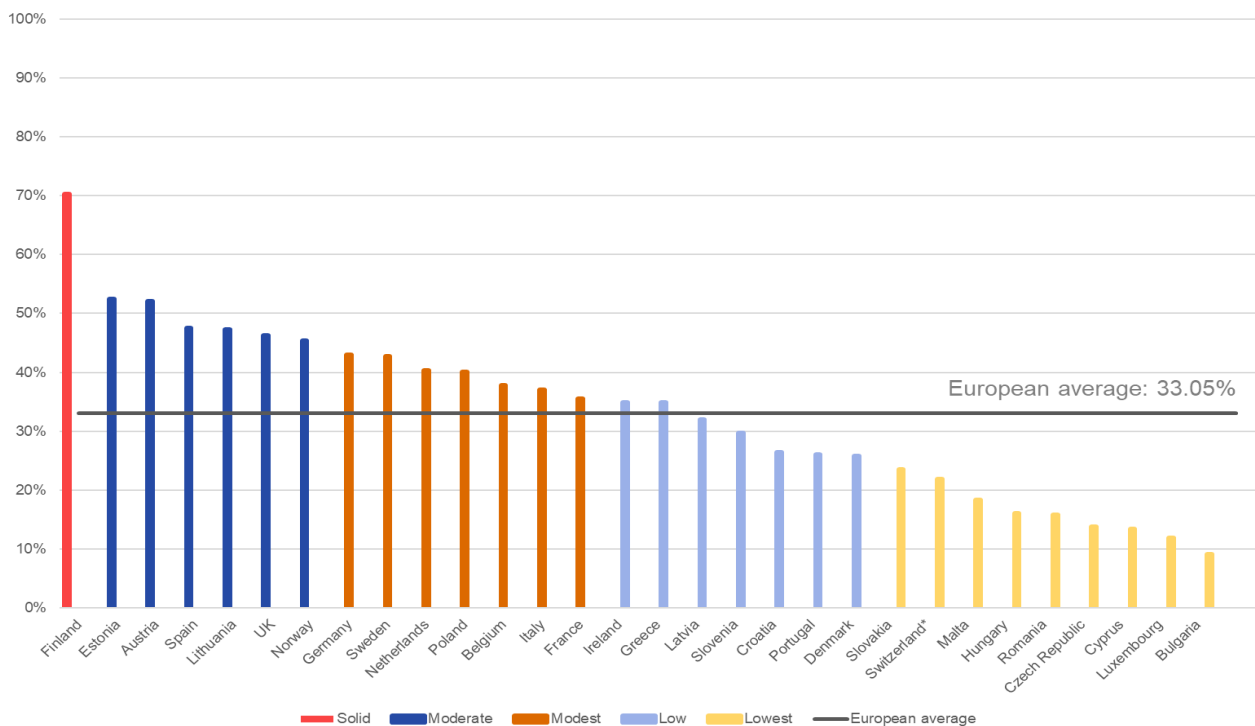
3. Benchmarking of innovation procurement policy frameworks: key findings, comparison with the previous benchmarking and recommendations for EU action

3.1. Overall ranking and key figures

3.1.1. Ranking and key figures for the 2024 benchmarking

The following graph presents the ranking of the 30 countries analysed in terms of the comprehensiveness of their innovation procurement policy framework. The score of each country is assigned on the basis of the 10 indicators presented in the methodology, which are compounded into one total score.

Figure 1. Ranking and clustering of countries based on policy frameworks



Source: Author's elaboration

All countries are clustered into 7 groups according to the compound score for the 10 indicators. This indicates the countries' degree of advancement in rolling out an innovation procurement policy framework in their country. The table below lists the total scores for the countries clustered into the 7 groups.

The **European average** of the 30 countries (EU27, Norway, Switzerland and the UK) is 33.05%, highlighting that Europe as a whole is performing modestly, because the **innovation procurement policy frameworks across Europe are working at approximately only one third of their potential power**. More than half of the countries (16) do not reach a 35% overall score and fall in the category of low or lowest performers, whilst only three countries have activated more than 50% of the policy measures to support innovation procurement (two moderate and one solid performer country). The **category of strong performers is empty** as there is no country yet that has activated more than 75% of the policy measures that support innovation procurement. There is **only one country in the next category of solid performers** and there is a big gap with the next group of moderate performers: this is because there is no country that has activated between 55% and 65% of policy measures that support innovation procurement and thus **the category of the fair performers is also empty**. Therefore, there is clearly **still significant room for improvement in all countries**. Strengthening the efforts in rolling out a more comprehensive policy framework for innovation procurement across Europe can significantly increase the positive impact that innovation procurement can bring to the European economy.

Table 1. Total scores and clusters of countries based on policy frameworks

Country	Total score	Cluster
Finland	70.23%	Solid performer
Estonia	52.43%	Moderate performer
Austria	52.02%	Moderate performer
Spain	47.50%	Moderate performer
Lithuania	47.24%	Moderate performer
UK	46.33%	Moderate performer
Norway	45.38%	Moderate performer
Germany	42.97%	Modest performer
Sweden	42.73%	Modest performer
Netherlands	40.31%	Modest performer
Poland	40.12%	Modest performer
Belgium	37.77%	Modest performer
Italy	37.05%	Modest performer
France	35.50%	Modest performer
Ireland	34.96%	Low performer
Greece	34.89%	Low performer
Latvia	32.05%	Low performer
Slovenia	29.71%	Low performer
Croatia	26.44%	Low performer
Portugal	26.08%	Low performer
Denmark	25.81%	Low performer
Slovakia	23.56%	Lowest performer
Switzerland*	21.93%	Lowest performer
Malta	18.35%	Lowest performer
Hungary	16.04%	Lowest performer
Romania	15.81%	Lowest performer
Czech Republic	13.81%	Lowest performer
Cyprus	13.38%	Lowest performer
Luxembourg	11.96%	Lowest performer
Bulgaria	9.09%	Lowest performer
European average	33.05%	Modest performer

Source: Author's elaboration

Finland ranks 1st and is the only solid performer among the 30 countries analysed. It has adopted a comprehensive policy framework that has activated all elements of a structured innovation policy framework with an intensity of 70.23%. This is evidenced by the fact that country's performance is above European average on all 10 indicators. In particular, Finland is the only country that is implementing an Action Plan that mobilises concrete measures to mainstream the use of innovation procurement widely in the whole country, including a clear spending target for innovation procurement in Europe, KPIs for all public buyers to implement innovation procurement and a permanent national competence centre with local/regional satellite offices to coordinate and support all relevant stakeholders across the country in implementation of innovation procurement. Finland is thus characterised by having paired solid political commitment (Indicators from 1 to 7) with most of the practical implementation tools to foster innovation procurement (Indicators from 8 to 10). At the same time, there is still room for improvement under various indicators – such as for instance for Indicators 3 and 4, by anchoring innovation procurement in all sectoral policies and policies for strategic ICT technologies where this is not the case yet; Indicators 5, 6 and 8, by further increasing the spending target, the associated resources for the action plan and financial incentives for procurers; Indicator 7 and 9 on the Monitoring system and on Capacity building, which could be further reinforced; and on Indicator 10 by increasing the use of techniques such as preliminary market consultations, value for money award criteria and variants that foster innovation in public procurement.

Finland is followed by a group of **moderate performers**, consisting of six countries in which the innovation procurement policy framework is operating at around half of its full potential (Estonia, Austria, Spain, Lithuania, the UK and Norway score between 45.38% and 52.43%). These countries are characterised by an innovation procurement policy framework that has a moderate political commitment (Indicators 1 to 7) that has activated most of the policy measures covered by the indicators, but typically at only around half of their potential capacity. These countries are still lacking structured implementation of some key indicators - for instance, except for Austria, all are lacking an Action plan for Indicator 5 and are having less than 50% developed capacity building system for Indicator 9. Furthermore, except for Lithuania and Estonia, they are also all lacking Spending targets for Indicator 6, and none of them has activated more than 50% of the techniques to foster innovation in public procurement for Indicator 10. None of them also have a more than 50% developed Monitoring system for Indicator 8, half of them have not anchored innovation procurement yet in more than 50% of sectoral policies for Indicator 4 and policies for strategic ICT technologies for Indicator 3 and have activated less than 50% of incentives to mobilise procurers for Indicator 8. Significant effort is still required in those countries to mainstream innovation procurement.

After them, the **modest performers** consist of a group of seven countries (including most notably the three biggest economies of the EU: Germany, France and Italy, but also Sweden, Netherlands, Poland and Belgium, which score between 35.50% and 42.97%). In these countries, innovation procurement policy framework is operating just above the European average (33.05%), meaning slightly above one third of its full potential. These countries can count on a modest political commitment towards innovation procurement, as most of them tend to score above or around average on the first political commitment-related indicators (i.e. Indicator 1 on Definitions, Indicator 2 on Horizontal policies, Indicator 3 on ICT policy) but score below average on the indicators that denote a more mature and advanced political commitment (e.g. Indicator 4 on Sectoral policies, Indicator 5 on the Action plan, Indicator 6 on the Spending target and Indicator 7 on the Monitoring system). Considerable effort is still required in those countries to mainstream innovation procurement.

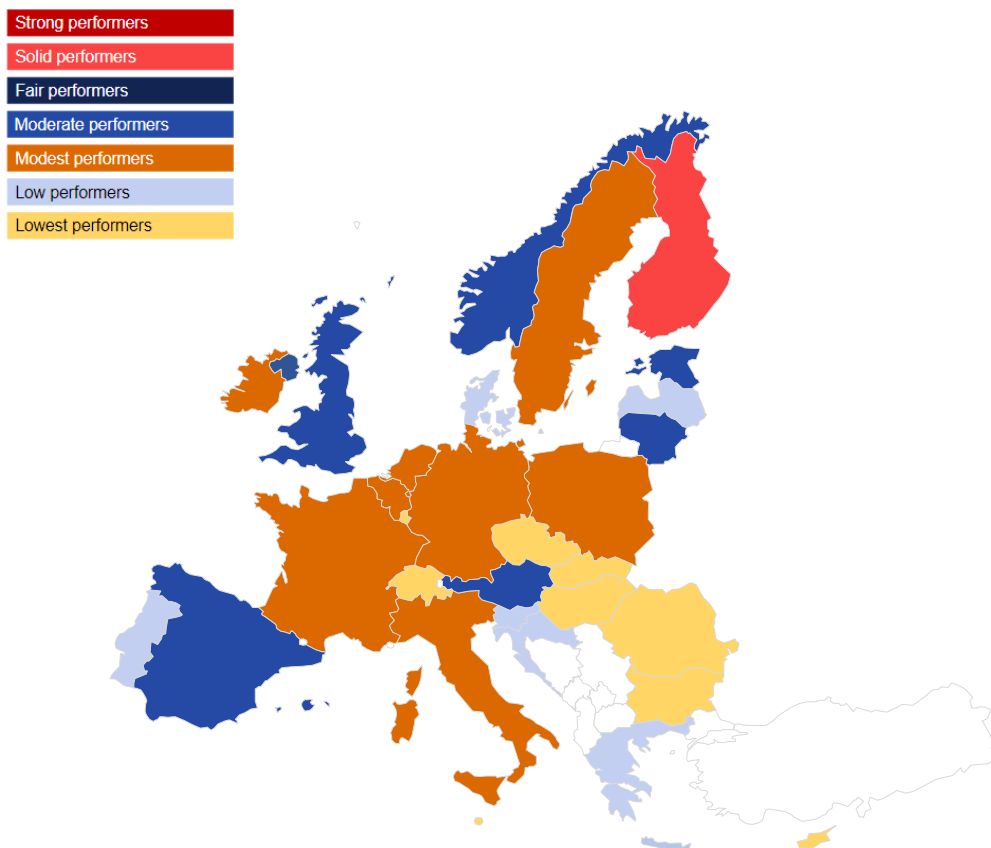
Ireland, Greece, Latvia, Slovenia, Croatia, Portugal and Denmark are in the group of **low performing countries**. Their average score on policy framework is between 26.08% and 34.96%, implying that all of them, except for Ireland and Greece, are performing below the European average. In these countries, the policy framework for innovation procurement is operating just around or below one third of its potential. These countries are characterised by a nascent political commitment, however, not sufficient to have a positive effect on all other indicators: only Greece scores above European average on the first three political commitment related indicators (Indicators 1 to 3), whilst Ireland scores above the European average on Indicators 2 and 3. Except for Ireland, which scores above the European average on Indicator 4, all countries in this group score below the European average on all political commitment related Indicators 4 to 7 that show a more mature political commitment. In particular, almost all countries in this group have no Action plan, Spending target or Measuring system (Indicators 5 to 7), less than one third of their sectoral policies are embracing the use of innovation procurement (Indicator 4), and, besides Ireland on Indicator 8, they have underdeveloped incentive and capacity building measures (Indicators 8 and 9) that do not provide the necessary incitement to stimulate the uptake of innovation procurement. Large efforts are still required in those countries to mainstream innovation procurement.

Finally, the category of **lowest performers** consists of Slovakia, Switzerland, Malta, Hungary, Romania, Czech Republic, Cyprus, Luxembourg and Bulgaria. In these countries, the policy framework for innovation procurement operates only between 9.09% and 23.56% of its potential capacity. This is due to a very fragmented policy framework for innovation procurement, characterised by low political commitment coupled with a scarce development of tools to mainstream

innovation procurement. For this reason, very large efforts are required in those countries to address ample areas for improvement under multiple indicators.

The following figure shows the geographical distribution of performance clusters of countries. It emerges that Nordic countries tend to fall within well-performing clusters, together with others such as the UK, Austria and Spain. To the contrary, Eastern European countries tend to fall within the groups of least well-performing clusters. Finally, the three biggest economies of the EU – namely France, Germany and Italy, and the biggest economy of the Eastern European countries Poland – are part of the modest performers.

Figure 2. Geographical distribution of clusters



Source: Author's elaboration

3.1.2. Comparison with the previous benchmarking

Compared to the previous benchmarking, the **European average** score across the 30 countries **increased from 26.58% (low performance) to 33.05% (modest performance)**. Whereas in the previous benchmarking, the **policy frameworks for innovation procurement** were **operating basically at** one quarter of their potential, this has now increased to **one third of their potential**. On average, countries have thus made some progress in adjusting their policy frameworks to better support the use of innovation procurement. However, there is still a lot of work to do in the future, as we are still far from all countries having a fully-fledged policy framework for innovation procurement that is 100% operational.

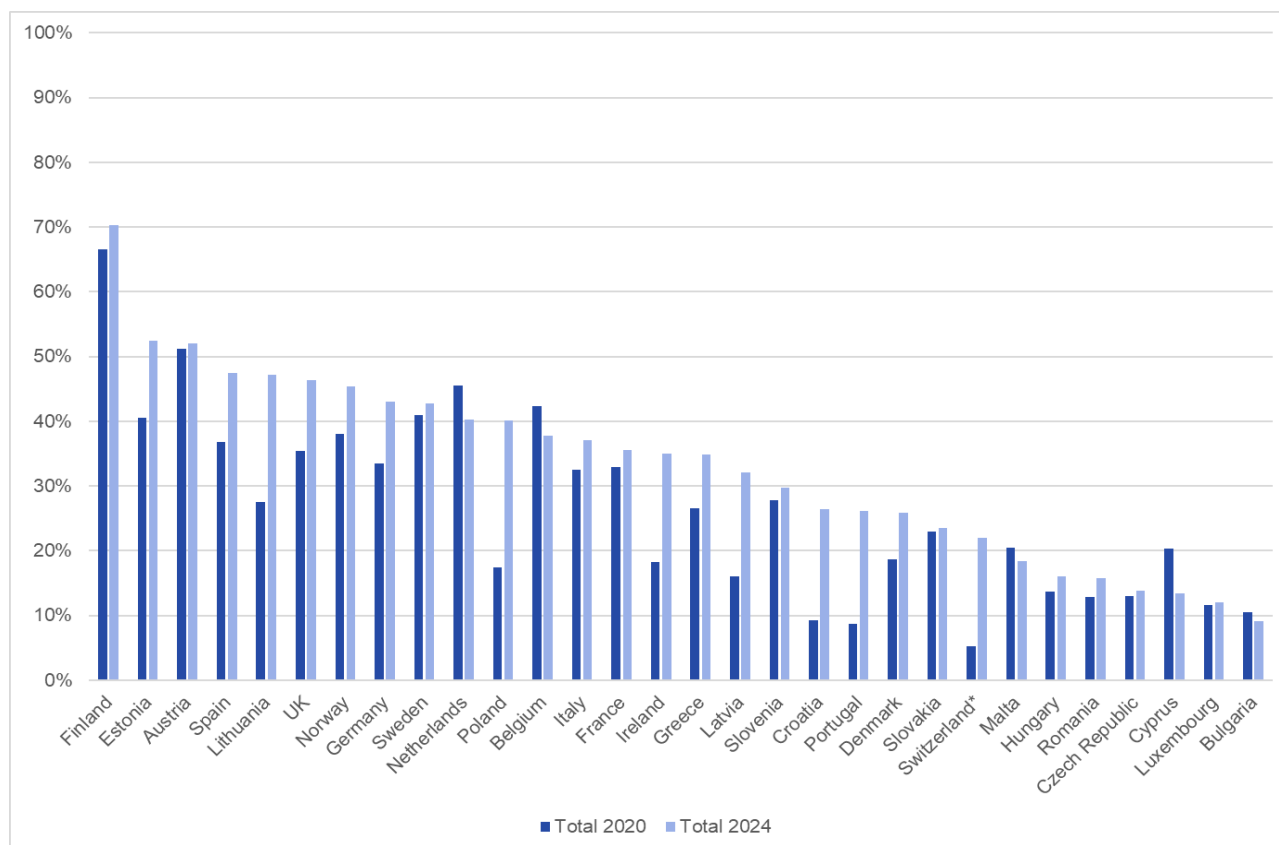
Table 2. Comparison of scores and ranking in the previous (2020) and current (2024) policy framework benchmarking

Country	Rank in 2024 benchmarking	Total score in 2024 benchmarking	Rank in 2020 benchmarking	Total score in 2020 benchmarking
Finland	1	70.23%	1	66.55%
Estonia	2	52.43%	6	40.50%
Austria	3	52.02%	2	51.24%
Spain	4	47.50%	8	36.83%
Lithuania	5	47.24%	14	27.59%
UK	6	46.33%	9	35.39%
Norway	7	45.38%	7	38.07%
Germany	8	42.97%	10	33.50%
Sweden	9	42.73%	5	40.94%
Netherlands	10	40.31%	3	45.50%
Poland	11	40.12%	21	17.36%
Belgium	12	37.77%	4	42.40%
Italy	13	37.05%	12	32.54%
France	14	35.50%	11	32.93%
Ireland	15	34.96%	20	18.21%
Greece	16	34.89%	15	26.53%
Latvia	17	32.05%	22	16.08%
Slovenia	18	29.71%	13	27.82%
Croatia	19	26.44%	28	9.26%
Portugal	20	26.08%	19	8.77%
Denmark	21	25.81%	29	18.61%
Slovakia	22	23.56%	16	22.97%
Switzerland*	23	21.93%	30	5.28%
Malta	24	18.35%	18	20.41%
Hungary	25	16.04%	23	13.69%
Romania	26	15.81%	25	12.87%
Czech Republic	27	13.81%	17	20.42%
Cyprus	28	13.38%	24	13.05%
Luxembourg	29	11.96%	26	11.67%
Bulgaria	30	9.09%	27	10.55%

Source: Author's elaboration

Finland has been most successful – not only has it maintained the leading position in the policy framework benchmarking among the 30 countries analysed but has also increased its total score from 66.55% to 70.23%. **Countries which have demonstrated the highest increase** in score when compared to the previous benchmarking are: **Lithuania** with an increase from 27.59% to 47.24%, **Poland** with an increase from 17.36% to 40.12%, **Ireland** with an increase from 18.21% to 34.96%, **Latvia** with an increase from 16.08% to 32.05%, **Croatia** with an increase from 9.26% to 26.44% and Portugal with increase from 8.77% to 26.08%.

Figure 3. Comparison of scores in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

17 countries have lost several places in the ranking compared to the previous benchmarking because meanwhile other countries improved their policy frameworks for innovation procurement faster. This happened to Austria (drop from 2nd to 3rd position), Sweden (drop from 5th to 9th position), the Netherlands (drop from 3rd to 10th position), Belgium (drop from 4th to 12th position), Italy (drop from 12th to 13th position), France (drop from 11th to 14th position), Greece (drop from 15th to 16th position), Slovenia (drop from 13th to 18th position), Denmark (drop from 19th to 21st position), Slovakia (drop from 16th to 22th position), Malta (drop from 18th to 24th position), Hungary (drop from 23rd to 25th position), Romania (drop from 25th to 26th position), Cyprus (drop from 17th to 28th position), Czech Republic (drop from 24th to 2th position), Luxembourg (drop from 26th to 29th position) and Bulgaria (drop from 27th to 30th position).

It is thus important to **not freeze the efforts once some first policy measures are put in place**, but to **continue to reinforce the policy framework over time** until a fully-fledged policy framework for innovation procurement is in place.

3.2. Key conclusions and recommendations for EU action

3.2.1. Key findings

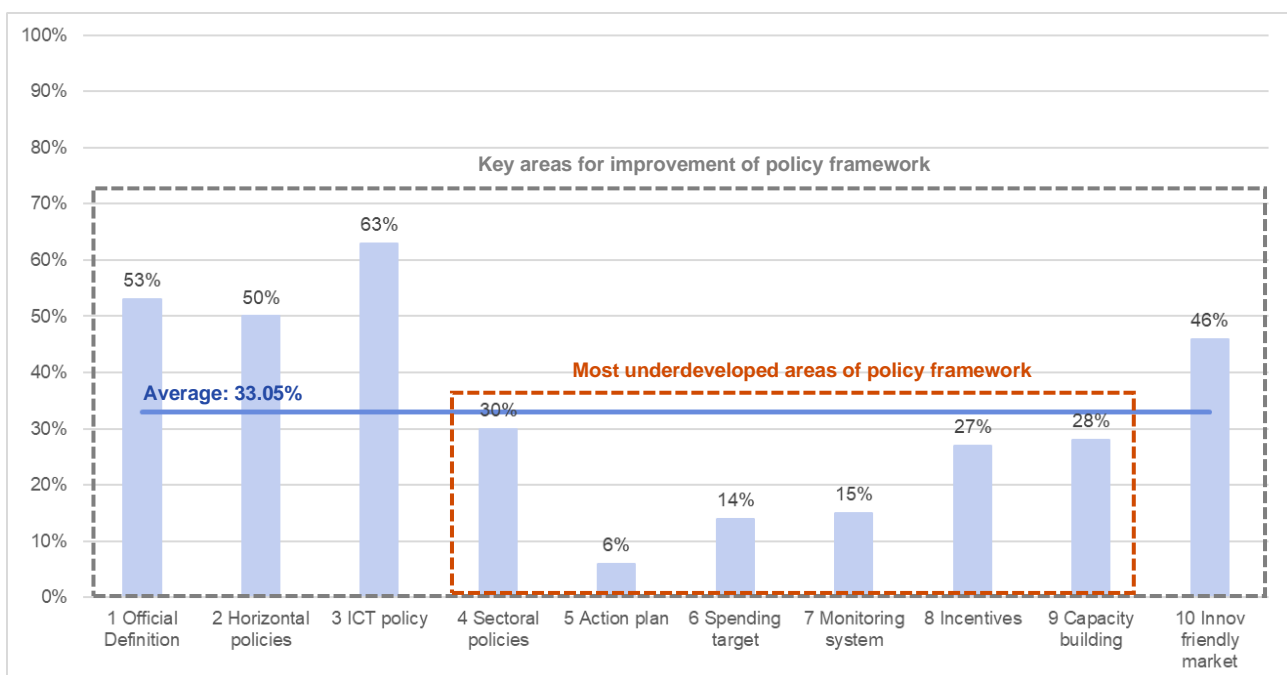
From the analysis of the European average scores per indicator (see figure 4 below) it emerges that **there is a need to reinforce all elements of the national policy frameworks** for innovation procurement across Europe.

In particular, most countries:

- do not have crystal-clear definitions for innovation procurement yet (Indicator 1, with an average score of 53%);
- do not yet promote the uptake of innovation procurement sufficiently through horizontal policies (Indicator 2, with an average score of 50%);
- have not fully embedded innovation procurement yet as strategic priority in their ICT policies (Indicator 3, with an average score of 63%);

- have not yet included innovation procurement as a strategic priority in several policies for sectors in which the public sector is a key customer (Indicator 4, with an average score of 30%);
- have not yet set up an action plan for innovation procurement (Indicator 5, with an average score of 6%);
- have not yet envisaged innovation procurement spending targets (Indicator 6, with an average score of 14%);
- have not yet set up a monitoring system for innovation procurement (Indicator 7, with an average score of 15%);
- do not provide sufficient incentives (Indicator 8, with an average score of 27%) and capacity building measures (Indicator 9, with an average score of 28%) to motivate public procurers to implement innovation procurement;
- do not provide sufficient capacity building and assistance measures (Indicator 9, average score of 28%) to help public buyers implement innovation procurement;
- do not have yet a legal framework that creates a truly innovation-friendly public procurement market (Indicator 10, with an average score of 46%).

Figure 4. European average performance per indicator of the 2024 policy framework benchmarking



Source: Author's elaboration

The **most underdeveloped areas of the policy frameworks in Europe** that need the most urgent action are those from Indicator 4 to 9. The European average performance is below 35% on all those indicators.

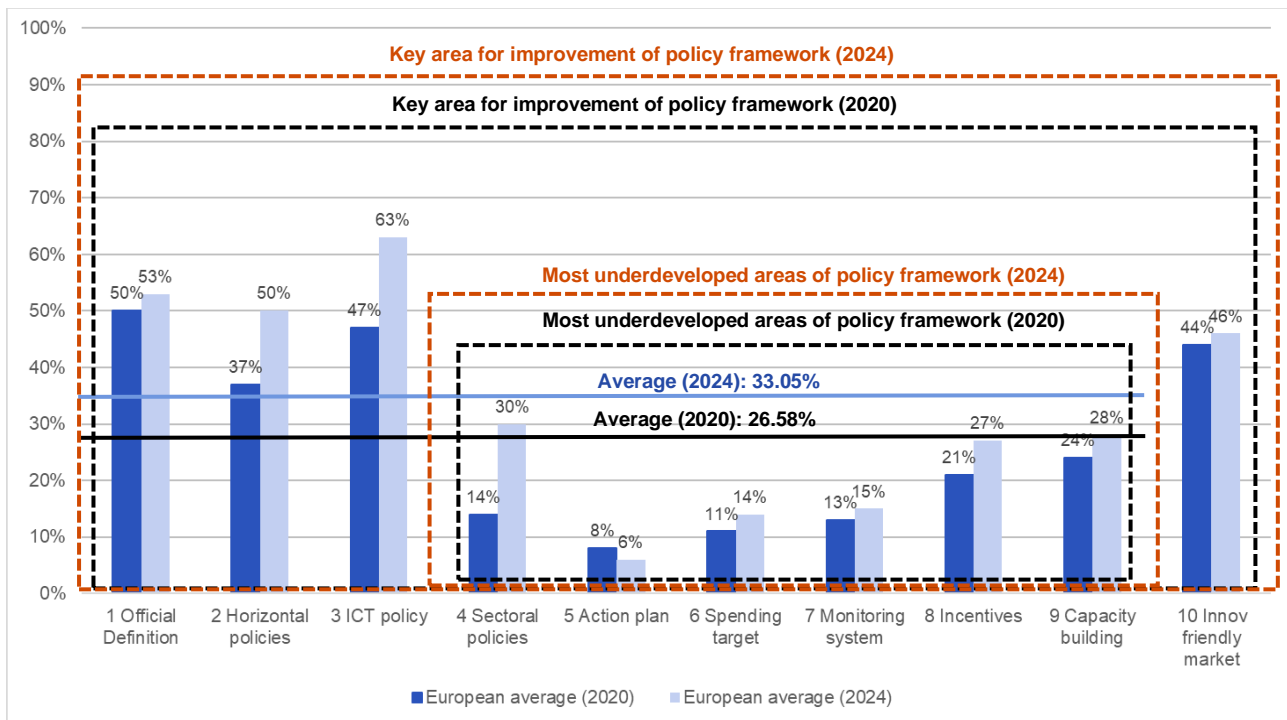
- The **European average performance is the lowest** (scores below 25%) for what concerns creating actions plans (Indicator 5), spending target (Indicator 6) and monitoring systems (Indicator 7).
- The **European average performance is low** (scores between 25% and 35%) for what concerns support for innovation procurement through sectorial policies (Indicator 4), incentives for public buyers (Indicator 8) and capacity building measures (Indicator 9).

However, all **other areas of the policy frameworks also need significant improvement** as there is not a single indicator yet where the European average performance reaches above 65% (no solid or strong performance).

- The **European average performance is moderate** (scores between 45% and 55%) for what concerns definitions for innovation procurement (Indicator 1), support for innovation procurement through horizontal policies (Indicator 2) and innovation friendly procurement market (Indicator 10).
- The **European average performance is fair** (scores between 55% and 65%) for support for innovation procurement through ICT policies.

3.2.2. Comparison with the previous benchmarking

Figure 5. Comparison of European average performance per indicator in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

Since the previous benchmarking, on average across Europe, the **most progress was made on Indicator 4 “Sectoral policies” (16% increase), Indicator 3 “ICT policies” (16% increase) and Indicator 2 “Horizontal policies” (13% increase)**. This stronger endorsement of innovation procurement in national policies shows increased political will to boost innovation procurement. However, this has not sufficiently been translated yet in concrete actions on the ground.

Indeed, the **least progress** was made on **Indicators 5 “Action plan”, Indicator 6 “Spending Target”, Indicator 7 “Monitoring System”, Indicator 8 “Incentives” and Indicator 9 “Capacity Building”**. These are 5 of the 6 most underdeveloped areas of the innovation procurement policy framework across Europe. These indicators reflect to which extent the political support in national policies is really implemented on the ground through strategic target setting and planning that comes with monitoring of progress, practical assistance and incentivisation of public buyers to procure innovatively. It is also remarkable that the **6 most underdeveloped areas of the innovation procurement policy framework across Europe are still the same as in the previous benchmarking**. It is, therefore, important to significantly increase efforts to translate policy ambitions into action as these interrelated components collectively serve as catalysts for innovation procurement within the EU policy frameworks because they ensure that procurement practices are strategic, coordinated, and effective in fostering innovation that meets the needs of different sectors and contributes to the broader objectives of building a competitive European Union.

The graph also shows that **all indicators remain as key areas for improvement** for the innovation procurement policy framework across Europe. Even though there has been an improvement made since the previous benchmarking, significantly increased efforts are still required on all indicators to fully exploit the full potential of innovation procurement.

Let's take a close look now into **“why“ different indicators have progressed faster than others**, by looking at what happened with the sub-indicators under each indicator.

Table 3. Comparison of European average scores per sub-indicator in the 2020 and 2024 policy framework benchmarking

Country	European average score (2024)	European average score (2020)	% improvement
Indicator 1 – Official definition	53%	50%	+3%
Innovation Procurement definition	35%	31%	+4%
R&D procurement definition	82%	77%	+4%
PCP procurement definition	50%	49%	+1%
PPI procurement definition	44%	42%	+2%
Indicator 2 – Horizontal Policies	50%	37%	+13%
R&D policy	75%	53%	+ 22%
Innovation policy	75%	57%	+18%
Public procurement policy	63%	50%	+13%
Competition policy	0%	0%	=
Economic and financial policy	42%	17%	+ 25%
Entrepreneurship policy	37%	23%	+15%
Regional / urban policy	57%	57%	=
Indicator 3 – ICT Policies	63%	47%	+16%
Indicator 4 – Sectoral Policies	30%	14%	+16%
Healthcare and Social Services	28%	22%	+6%
Public transport	27%	22%	+5%
General public services, economics, finance	15%	8%	+7%
Construction	20%	22%	-2%
Energy	53%	12%	+41%
Environment	87%	33%	+54%
Water	17%	3%	+14%
Public order, safety, security and defence	40%	12%	+28%
Postal services	0%	3%	-3%
Education, recreation, culture and religion	13%	3%	+10%
Indicator 5 – Action Plan	6%	8%	-2%
Indicator 6 – Spending Target	14%	11%	+3%
Indicator 7 – Monitoring System	15%	13%	+2%
Expenditure measurement	26%	23%	+3%
Impact Evaluation	4%	3%	+1%
Indicator 8 – Incentives	27%	21%	+6%
Financial incentives	24%	25%	-1%
Personal incentives	30%	24%	+6%
Indicator 9 – Capacity building and assistance	28%	24%	+4%
Central website	34%	22%	+12%
Good practice examples	38%	23%	+15%
Trainings and workshops	42%	35%	+7%
Guidelines and handbooks	48%	47%	+1%
Assistance for procurers	28%	23%	+5%
Template tender documents	3%	5%	-2%
Coordination / pre-approval	6%	7%	-1%
Networking	27%	30%	-3%
One-stop-shop / competence centre	23%	27%	-4%
Indicator 10 – Innovation friendly public procurement market	46%	44%	+2%
Use of specific techniques to foster innovation in public procurement	22%	23%	-1%
Openness of national public procurement market	70%	65%	+5%

to innovations from across the EU single market			
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Source: Author's elaboration

Compared to the previous 2020 benchmarking, there is some improvement in the European average performance on nearly all indicators. However, clearly **the progress on some indicators has been much weaker than on others**. Analysing how different sub-indicators evolved on a level deeper, shows **key reasons why this happened**:

- Compared to 4 years ago, a quarter more countries now have economic and financial policies that call for **boosting innovation procurement to increase public sector efficiency / cost effectiveness and to strengthen industrial competitiveness**. This has reflected in a **stronger political push for innovation procurement from R&I and entrepreneurship policies, but to a much lesser extent from public procurement policies**. This explains why Indicator 2 “Horizontal policies“ is not at its full potential yet.
- There has been only **very little progress on all indicators that are linked to the public procurement legal framework** (Indicator 1 “Official definitions”, sub-indicator “Public procurement policy” in Indicator 2, Indicator 9 “Capacity building and assistance” and Indicator 10 “Innovation friendly public procurement market”). **The small increase in the openness of the public procurement market to innovations is only due to improvements in the level of transparency, as the level of competition decreased especially in the 27 EU Member States**. In addition, there has also been a **drop in the use of specific techniques to foster innovation in public procurement (both the use of preliminary market consultations, variant offers, value for money award criteria and innovation friendly IPR conditions is still heavily underutilised)**. Since 2014, there have been no updates in the EU public procurement strategy or EU legal framework for public procurement that pushed for more innovation procurement. Clearly, countries do not improve their national public procurement frameworks sufficiently themselves to foster innovation procurement without a clear push from the EU to do so.
- Compared to 4 years ago, Europe has made **modest progress on pushing forward innovation procurement through ICT policies** (Indicator 3). There is a 16% increase in overarching national digital policies that call for innovation procurement (**especially in national strategies for implementing the European Digital Decade**), **but still only few countries do the same in their policies for strategic ICT technologies**: 40% of countries do so in their national AI strategy and 30% in their national cybersecurity strategy, following the EU AI and cybersecurity strategy that call for procurement of innovative AI and cyber solutions, but only 10% of countries do so in their national quantum strategy and no country at all in their national chip / microelectronics strategy. Clearly more progress was made in areas where there was a clear EU push for more innovation procurement.
- There is **remarkable progress** in national sectorial policies that are pushing forward innovation procurement, especially **in national strategies for the energy and environmental sector** (which is clearly linked to the EU Green Deal) and in **national strategies for the security and defence sector** (which is clearly linked to EU security and defence policies and the tense geopolitical situation). The progress in other sectors where EU policies did not especially emphasise innovation procurement, is much smaller (Indicator 4).
- Although there is a small drop in the number of countries that has a dedicated national action plan for innovation procurement (as the NL action plan has expired), **significantly more countries (20% of the 30 countries) are in the process of creating a national action plan** (Indicator 5). This is linked to the New European Innovation Agenda (2022) that calls on Member States to create national innovation procurement strategies. There is now also for the first time a country (Finland) whose action plan is geared to widely mainstream innovation procurement across the country. There is also a **small increase in the number of countries that have set a target for innovation procurement spending, and the targets are becoming more ambitious** (Indicator 6). There are now for the first time countries that have set targets to a level that is competitive with other parts of the world (PL and LT set 20% target for innovation procurement, PL has set 3% target for R&D procurement).
- This progress on target setting and action plan preparation has however **not yet resulted in significant increases in capacity building measures, nor in incentives to mobilise public procurers, nor in national monitoring systems for innovation procurement** (Indicators 8 and 9). Although those countries that already had a monitoring system, have improved their system tracking spending on innovation procurement, no country yet has a system to monitor the impacts achieved by all its completed innovation procurements. In many countries capacity building measures are still limited to awareness raising and trainings on basic legal obligations and the resources for more advanced capacity building and assistance measures are way too small. There are still only two countries (Finland and the UK) that apply the most effective mechanism to incentivise

public procurers to implement innovation procurement (i.e. annual setting of KPIs for all procurers to improve the quality/cost of public services using innovation procurement).

3.2.3. Recommendations for EU action

The key findings and comparison with the previous benchmarking (section 3.2.1 and 3.2.2) show that the progress that countries around Europe have made so far is clearly linked to the level of EU policy push for innovation procurement. **Therefore, to make a big step forward in improving national policy frameworks on innovation procurement, more ambitious action at EU level is needed**, both in terms of encouraging stronger political commitment (Indicators 1 to 7) and in terms of catalysing the development of support instruments to help public procurers conduct innovation procurements (Indicators 8 to 10).

For each indicator, the EU should step up its efforts to drive European countries to strengthen their policy frameworks:

- **Political commitment**
 - **Indicator 1 (Definitions):** The EU should take the initiative to ensure that European countries adopt clearer definitions: (1) by including an official definition for R&D procurement (which is currently only available in the defence EU public procurement directive), as well as in the EU public procurement directives for non-defence procurers and (2) by providing a clearer definition of innovation procurement (in addition to providing only a definition for innovation) in the EU public procurement directives. This EU definition of innovation procurement should clarify that innovation procurement covers procurements of R&D, public procurements of innovative solutions and public procurements that purchase a combination of both. It should also clarify where innovation procurement stops in line with the definition of where early adoption stops (which is currently explained only in [EU guidance Notice on innovation procurement](#)).
 - **Indicator 2 (Horizontal policies):** The EU should encourage all countries to endorse innovation procurement as a strategically important instrument in all their national horizontal policies, by showing the way in EU policies for R&D policy, innovation policy, public procurement policy, regional / urban policy, entrepreneurship policy, economic / financial policy and competition policy. Thus, the new European Commission should take a bolder approach to really boost innovation procurement in the upcoming revision on the EU public procurement directives (see bullet below on indicator 10), the European Innovation Act and the new European startup and scaleup strategy. European R&I policy could initiate an EU wide target for innovation procurement supported by all countries setting up national action plans for innovation procurement. R&I programmes can provide financial incentives for public procurers to implement preliminary market consultations and innovation procurements (especially R&D procurements to create EU competitive advantage for strategic technologies / critical sectors), open up test facilities (e.g. national / university test facilities for strategic technologies, regional R&I hubs) to public procurers to test innovations for their innovation procurements, support the setup of national competence centers for innovation procurement with capacity building measure for procurers (e.g. on IPR handling, benefits / potential use cases of adopting high tech) and small companies (e.g. on how to access the public procurement market).
 - **Indicator 3 (ICT policies):** The EU should embed innovation procurement more prominently in its European ICT policies, including in those for strategic ICT technologies, and encourage countries to plan concrete actions to stimulate innovation procurement in all their national digital strategies and action plans.
 - **Indicator 4 (Sectorial policies):** The EU should embed innovation procurement as strategic priority in sectorial EU policies / strategies and legislation for all ten sectors in which the public sector is a key customer (health, public administration, transport, energy, environment, water, construction, education, postal, security and defence). This is essential to encourage countries to do the same within their own national sectorial policies and legislations. EU sectorial policies could include specific actions and spending targets for innovation procurement in those sectors. For instance, the EU green public procurement policy includes a target and an action plan that encourages eco-innovation.
 - **Indicators 5 and 6 (Action plan and Spending target):** The EU should create an EU wide action plan for innovation procurement with an EU wide ambition level (target) for innovation procurement and should mobilise Member States to develop national action plans to contribute to achieving this goal. Even if the target would be non-binding for Member States, it would set a common level of ambition and direction.

- **Indicator 7 (Monitoring system):** The EU should set up a systematic regular benchmarking of innovation procurement policy frameworks and investment levels across Europe in cooperation with Member States. Results should be integrated in annual progress reviews and EU scoreboards for both horizontal policies (the European economic semester, the Innovation, ERA, Startups Internal Market Scoreboards, etc.), in ICT policies (the Digital Decade scoreboard) and sectorial policies. The EU should also inspire countries to structure their own systems for the measurement of innovation procurement and evaluation of its impacts.
- **Instruments**
 - **Indicator 8 (Incentives):** The EU should call on countries to increase the incentives to mobilise public procurers to conduct innovation procurements. This includes firstly **non-financial incentives** (the most efficient way is that every year when the government agrees on the annual priorities and budgets with key procurers, it links this to KPIs for those procurers to invest in modernising specific parts of their public services with innovative solutions). Secondly, this includes also **financial incentives** (today still only a very small portion of national R&I programme budgets is allocated to reduce the risk of procurers to invest in innovation procurements on high-risk innovations, in particular on strategic technologies).
 - **Indicator 9 (Capacity building and assistance):** When revising the EU procurement rules to increase the use of functional specifications, value engineering and leaving IPR ownership with suppliers, the EU should also ensure that part of the cost savings that are generated by using these techniques is reinvested into professionalisation of public buyers to increase their capacity to implement more innovation procurements. The EU should encourage all countries to set up national competence centres for innovation procurement and equip them with sufficient resources to provide not only basic but also more advanced capacity building and assistance across the country and enable collaboration with other countries to increase the impact and scaling up of innovation procurements.
 - **Indicator 10 (Innovation-friendly public procurement market):** In the upcoming revision of the EU public procurement directives, the EU should **reinforce the level of competition and transparency** of the public procurement market and **enforce more boldly the use of proven techniques that boost public sector efficiency, industrial competitiveness and foster innovation in public procurement**. As emphasised also in the Letta and Draghi reports, the revised EU public procurement rules should, therefore, ensure that it becomes the default approach across Europe to **leave IPR ownership with contractors, award contracts based on best value for money** (mandating this even for strategic technologies and sensitive sectors) and stop overspecification of tender specifications that block innovative offers from competing (e.g. by **maximising the use of functional specifications** and – in the few cases where that is not possible – **allow submission of variant offers**). Deviating from this should only be allowed in limited justified cases ('justify or comply' approach). In addition, based on lessons learnt from national case examples, the revised EU public procurement directives should **reduce barriers for innovative startups and scaleups** to participate in public procurement (red tape, slow procurement process, unworkable financial contract conditions), introduce the widespread use of **value engineering** (powerful technique that incentivise contractors to keep innovating after contract signature, continuing to increase quality and reduce costs of delivered solutions) and remove hurdles for procurers to implement **multiple sourcing** and **joint cross border procurement**.

4. Benchmarking of innovation procurement policy frameworks: analysis of results per indicator.

Commonalities and disparities between countries

This section presents the results of the benchmarking (ranking of country scores) per indicator and a summary of the evidence collected that justifies these scores (for more detailed evidence by country, see country reports in appendix by each indicator). This section also presents an analysis of commonalities, disparities and trends between different countries for each indicator.

4.1. Indicator 1 – Official definition

This indicator reflects to what extent there is a clear official definition for Innovation Procurement, R&D procurement, Pre-Commercial Procurement (PCP) and Public Procurement of Innovative solution (PPI) in the country, because a common understanding of what is meant by innovation procurement is an essential prerequisite to encourage the use of innovation procurement across a country.

The table below provides total score for Indicator 1 and an overview of the scores for each of the four sub-indicators (official definition for innovation procurement, R&D, PCP and PPI). As explained in Chapter 2 of the methodology for the policy benchmarking, the scoring depends on whether there is only a legal basis for the four above types of procurement in the country, or also an official definition in guidance documents or in the legislation, whether the available definition applies to all types of procurers across the whole country and whether it is in line with the EU definition or not.

Table 4. Indicator 1: elaboration of scores and a comparison of total scores in the previous (2020) and current (2024) benchmarking

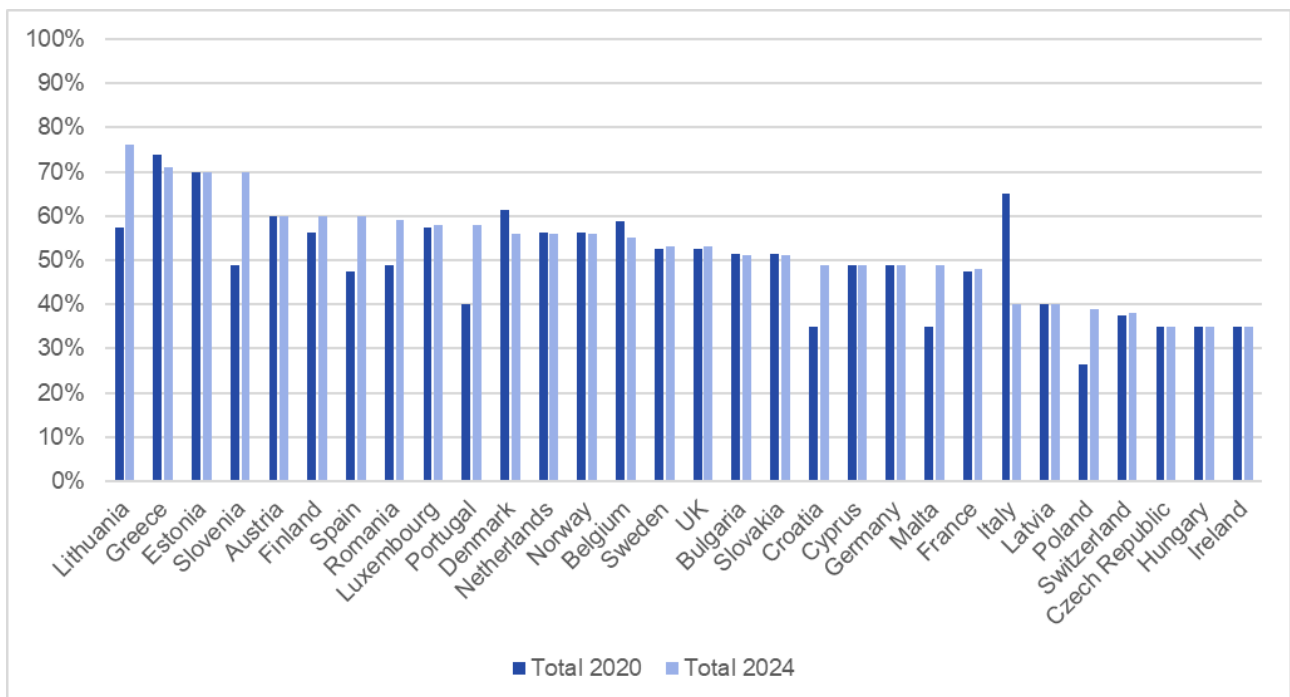
Country	Innovation procurement	R&D procurement	PCP	PPI	Total (2024)	Total (2020)
Austria	50%	90%	50%	50%	60%	60%
Belgium	55%	55%	55%	55%	55%	59%
Bulgaria	35%	100%	35%	35%	51%	51%
Croatia	35%	90%	35%	35%	49%	35%
Cyprus	35%	90%	35%	35%	49%	49%
Czech Republic	35%	35%	35%	35%	35%	35%
Denmark	35%	90%	50%	50%	56%	61%
Estonia	70%	70%	70%	70%	70%	70%
Finland	50%	90%	50%	50%	60%	56%
France	0%	100%	45%	45%	48%	48%
Germany	0%	90%	35%	70%	49%	49%
Greece	35%	90%	90%	70%	71%	74%
Hungary	35%	35%	35%	35%	35%	35%
Ireland	35%	35%	35%	35%	35%	35%
Italy	0%	90%	35%	35%	40%	65%
Latvia	0%	90%	35%	35%	40%	40%
Lithuania	80%	90%	100%	35%	76%	58%
Luxembourg	35%	90%	70%	35%	58%	58%
Malta	35%	90%	35%	35%	49%	35%

Netherlands	50%	90%	50%	35%	56%	56%
Norway	50%	90%	50%	35%	56%	56%
Poland	50%	35%	35%	35%	39%	26%
Portugal	0%	90%	70%	70%	58%	40%
Romania	45%	90%	55%	45%	59%	49%
Slovakia	35%	100%	35%	35%	51%	51%
Slovenia	70%	90%	70%	50%	70%	49%
Spain	50%	90%	50%	50%	60%	48%
Sweden	0%	90%	70%	50%	53%	53%
Switzerland	0%	80%	35%	35%	38%	38%
UK	35%	90%	50%	35%	53%	53%
EU average	35%	82%	50%	44%	53%	50%

Source: Author's elaboration

The European average score for Indicator "Official definition" is 53%, which is a slight increase when compared to the 50% from the previous benchmarking. The figure below compares the overall scores for the indicator official definition for the two benchmarkings.

Figure 6. Indicator 1: comparison of total scores in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

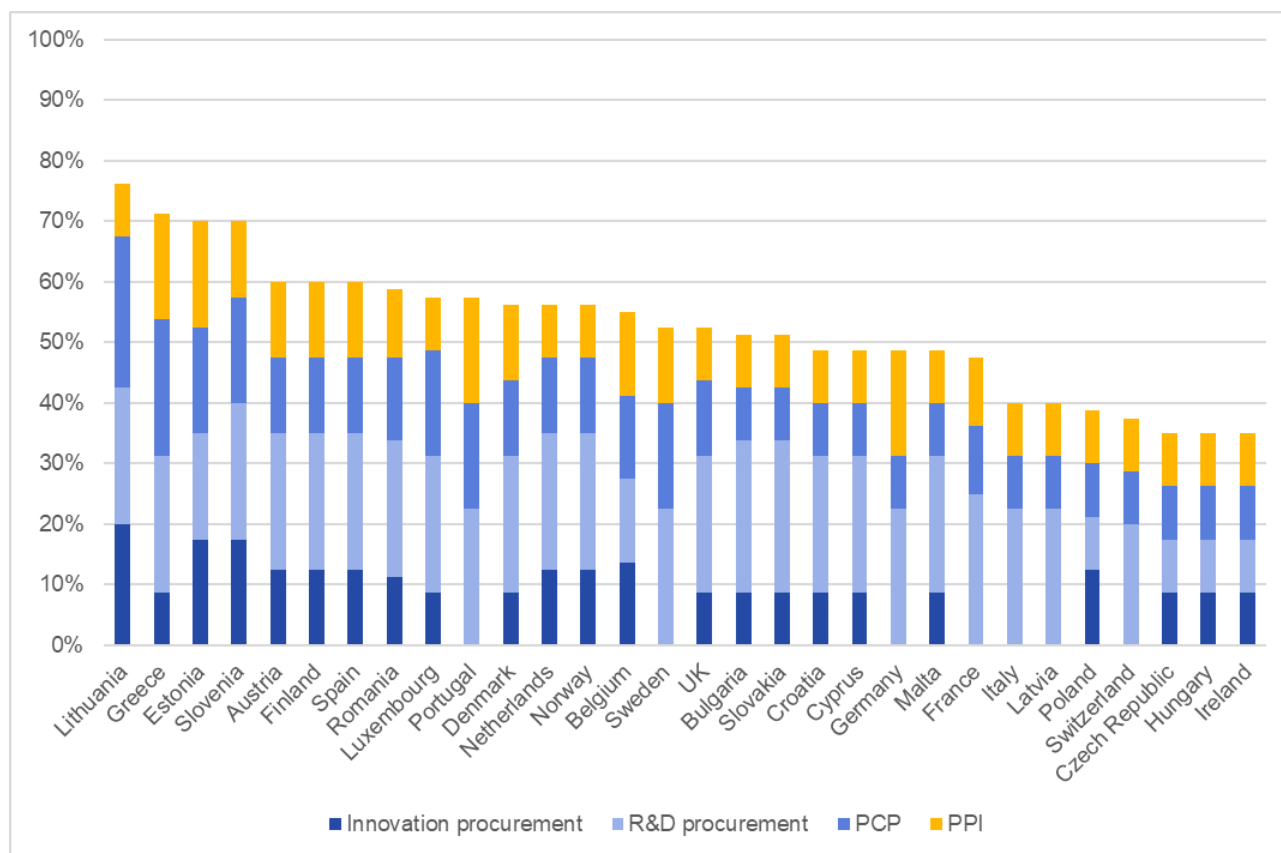
Since the previous benchmarking, there have been few changes in the scores of certain countries due to some amendments in national legislation and some updates of national guidance documents, which in most cases **have improved the definitions a bit**. The highest increase happened in Slovenia (from 49% to 70%) and the biggest decrease in Italy (from 65% to 40%). However, in general, across all 30 countries, most countries maintained a similar scoring as in the previous benchmarking and **only little improvement happened for the Indicator "Official definition"**.

The **best performing country is Lithuania (76%)**, as it has done most effort to create a clear national legal basis and/or national official definitions for both innovation procurement, R&D procurement, PCP and PPI procurement. Other well

performing countries are Greece, Estonia, and Slovenia, which have recorded an overall score of 70% or above, whilst in the previous benchmarking, the countries equalling to or exceeding 70% were only Greece and Estonia.

The figure below provides the country ranking for Indicator 1 “official definition”.

Figure 7. Indicator “Official Definition” overall ranking and breakdown of total scores



Source: Author's elaboration

Table 4. and figure 7. show that the **national official definitions for R&D procurement are the clearest and most accurately spelled out, and the closest in line with the official EU definition** (average score of 82% across Europe). However, there are only 3 countries whose R&D definition is applicable to all types of procurers. The remaining gap for countries to reach 100% on this sub-indicator is caused by the fact that a comprehensive R&D procurement definition is often still only available in the defence procurement law and not in procurement laws for non-defence procurers.

National official definitions for PCP and PPI procurement are also defined relatively clear and accurate, but not always in line with the EU definition, with average scores of 50% and 44% respectively. All the countries analysed have at least adopted a legal basis for the development of R&D procurement, PCP and PPI procurement, meaning that they are all ready to implement an R&D procurement, PCP and PPI strategy.

To the contrary, **national official definitions for innovation procurement are the least clear and accurate and the least in line with the EU definition**, with an average score of 35% across Europe. Only Belgium, Estonia, Lithuania and Slovenia are scoring over 50% on the sub-indicator based on the definitions of innovation procurement provided in their national guidance documents. There are still 7 countries that do not have any form of official definition for innovation procurement or for innovation in the context of public procurement.

To encourage more procurers to undertake innovation procurements, it is important that future legislation on public procurement provides clearer definitions of innovation procurement, R&D procurement, PCP and PPI procurement and guidance documents elaborate further on the practical implementation of this.

The following paragraphs provide a detailed breakdown of the evidence collected for each of the four sub-indicators:

- Official definition for innovation procurement

- Official definition for R&D procurement
- Official definition for PCP procurement
- Official definition for PPI procurement

For each of these 4 sub-indicators of indicator 1, the analysis distinguishes 4 categories of countries:

- Countries where an official definition has been included in “national legislation”
- Countries where an official definition is included in “non-legal documents”, e.g. in official policy documents or guidelines for public procurers
- Countries where there is no official definition in national legislation or official guidance documents, but national legislation provides a “legal basis” for implementing the type of innovation procurement analysed
- Countries which have not foreseen an official definition and do not provide a legal basis for implementing the analysed type of procurement.

For each of the 4 categories of sub-indicators, the score indicates whether the definition reaches full coverage (definition is applicable to all types of public procurers / procurements across the whole country) or not (e.g. only in a certain region, or only for a specific type of public procurers or a specific type of procurement), and whether the definition is in line with the EU definition.

4.1.1. Official definition for Innovation Procurement

The table below illustrates to which extent an official definition for innovation procurement has been introduced in each country.

Table 5. Level of introduction of official definition for innovation procurement in each country

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	None of the previous (EU legal basis not transposed)
Full coverage and in line with EU definition		EE, SI (2)	BG, HR, CY, CZ, DK, EL, HU, IE, LU, MT, SK, UK (12)	
No full coverage but in line with EU definition		BE (1)		
Full coverage but not fully in line with EU definition		AT, FI, NL, NO, PL, ES (6)		
No full coverage and not in line with EU definition	LT (1)	RO (1)		
None of the previous				FR, DE, IT, LV, PT, SE, CH (7)

Source: Author's elaboration

Only one country has introduced a legal definition of innovation procurement in the national legislation (LT). However, this definition is only partially in line with the EU definition.

In 10 countries (EE, SI, BE, AT, FI, NL, NO, PL, ES, RO) a definition of innovation procurement is available in official guidance documents:

- In Estonia and Slovenia, the definition in guidance documents is applicable to all procurers across the whole country and is in line with the EU definition.

- In Belgium, there are guidelines that provide a definition of innovation procurement, which is in line with the EU definition, but the guidelines are only applicable to Flemish procurers.
- In 6 countries (AT, FI, NL, NO, PL, ES), the definition in the guidance is applicable countrywide but is not in line with the EU definition. For example, the Spanish *Guide 2.0 for the Public Purchase of Innovation* provides a definition of innovation procurement which implies that there must always be development activities involved in an innovation procurement and it does not define that innovation procurement stops at the early adopters.

In 12 countries (BG, HR, CY, CZ, DK, EL, HU, IE, LU, MT, SK, UK), **there is no official definition of innovation procurement in legislation or in guidance documents** but there is a definition of innovation in the context of public procurement in the national legislation in line with the EU definition and providing a legal basis for implementing innovation procurement in the country.

Finally, **in 7 countries** (FR, DE, IT, LV, PT, SE, CH), **there are no definitions for innovation procurement nor for innovation**, neither in national legislation nor in national guidance documents. The definition of innovation from the EU public procurement directives has not been transposed in national public procurement legislation.

Compared to the previous benchmarking, there is a small improvement on this sub-indicator “innovation procurement definition”. (European average has increased from 31% to 35%). Four years ago, there were 8 countries without any definition for innovation procurement (compared to 7 now) and 15 countries with only a legal basis for innovation procurement (compared to 12 now). Instead, there are 4 additional countries with a definition in guidance documents now (SI, PL, ES, RO).

4.1.2. Official definition for R&D procurement

The table below illustrates to which extent an official definition of R&D procurement has been introduced in each country.

Table 6. Level of introduction of official definition for R&D procurement in each country

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	None of the previous (EU legal basis not transposed)
Full coverage and in line with EU definition	BG, FR, SK (3)	EE (1)	CZ, HU, IE, PL (4)	
No full coverage but in line with EU definition	AT, HR, CY, DK, FI, DE, EL, IT, LV, LT, LU, MT, NL, NO, PT, RO, SI, ES, SE, UK (20)	BE (1)		
Full coverage but not fully in line with EU definition				
No full coverage and not in line with EU definition	CH (1)			
None of the previous				

Source: Author's elaboration

Most countries (24) have included a definition of R&D in the context of procurement in national legislation:

- However, there are only 3 countries (BG, FR and SK) whose definition of R&D in national public procurement legislation is applicable to all types of public procurers in the country and written in a way that is in line with the EU definition.
- In 20 countries (AT, HR, CY, DK, FI, DE, EL, IT, LV, LT, LU, MT, NL, NO, PT, RO, SI, ES, SE, UK) the definition of R&D in the context of public procurement is available only in the national public procurement

legislation for the defence sector. Despite being coherent with the EU legislation, in these countries the definition is only available within one sector and is missing in legislation for non-defence procurers.

- In Switzerland, there is a definition of R&D in the context of public procurement in national legislation that is applicable only to the federal government and is therefore not applicable to all types of public procurers. The definition is also not in line with the EU definition, as it does not define where the type of development that is allowed under R&D stops (aka at experimental development as explained in the EU definition).

2 countries (BE and EE) do not have a definition of R&D procurement in national legislation but have foreseen one in official guidelines.

4 countries (CZ, HU, IE, PL) do not have a definition of R&D procurement in national legislation nor in official guidelines. However, in their national procurement legislation, they have identified what is considered R&D in the context of public procurement via CPV codes, which are applicable to all public procurers in the country and in line with the EU definition of the R&D CPV codes. These **CPV codes for R&D provide a legal basis** for implementing R&D procurement in the country.

There are no countries where the definition or the legal basis for R&D procurement have not been transposed, i.e. the category "nothing" is empty. In all 30 countries, all types of public procurers thus have the legal basis to implement R&D procurements.

Compared to the previous benchmarking, there is a small improvement on the sub-indicator “R&D procurement definition” (European average increased from 77% to 82%). In the previous benchmarking, there were only 21 countries (compared to 24 now) with a definition for R&D procurement in the national legislation (the 3 new ones are HR, LT and MT).

4.1.3. Official definition for Pre-Commercial Procurement (PCP)

The table below illustrates to which extent an official definition for PCP has been introduced in different countries.

Table 7. Level of introduction of official definition for PCP in each country

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	None of the previous (EU legal basis not transposed)
Full coverage and in line with EU definition	LT (1)	EE, LU, PT, SI, SE (5)	BG, HR, CY, CZ, DE, HU, IE, IT, LV, MT, PL, SK, CH (13)	
No full coverage but in line with EU definition	EL (1)	BE, RO (2)		
Full coverage but not fully in line with EU definition		AT, DK, FI, NL, NO, ES, UK (7)		
No full coverage and not in line with EU definition		FR (1)		
None of the previous				

Source: Author's elaboration

Only two countries (EL and LT) have a definition of PCP in national legislation that is applicable in the whole country and is in line with the EU definition.

15 countries (EE, LU, PT, SI, SE, BE, RO, AT, DK, FI, NL, NO, ES, UK, FR) have not included a definition of PCP in legislation but they have provided a definition of PCP in official guidelines:

- 5 countries (EE, LU, PT, SI, SE) define PCP in guidance documents which provide a countrywide applicable definition in line with the EU definition

- 2 countries (BE, RO) define PCP in the guidance documents that are not applicable countrywide. In Belgium, the guidance is only applicable to the Flemish region, and in Romania only, to the Bucharest - Ilfov region.
- In 7 countries (AT, DK, FI, NL, NO, ES, UK) there is a definition of PCP in guidance documents that are applicable across the country but the definition is not coherent with the EU definition. The definitions typically do mention that PCP is a procurement of R&D services in phases, but either do not mention that R&D is procured from multiple suppliers in competition, or do not mention that in PCP, the procurer does not keep all the benefits (in particular the IPR ownership) for itself, or do not mention that PCP does not include the purchase of commercial volumes of the resulting solutions but can include the purchase of the limited volume of solutions that were developed for the testing during the PCP.
- 1 country (France) has the definition of PCP in national guidelines that are not applicable to all procurers in the country and the definition is not in line with the EU definition. According to this definition, the public buyer can only buy the tested solution by reopening competition; however, according to the EU definition PCPs can include the sale of supplies (including the innovative solution resulting from the R&D) as long as the amount of supplies covers less than 50% of the PCP contract value and reopening of competition is only needed for buying commercial volumes of products that go beyond this.

13 countries (BG, HR, CY, CZ, DE, HU, IE, IT, LV, MT, PL, SK, CH) do not have an official definition for PCP, neither in national legislation nor in official guidance documents, but **provide the legal basis to implement PCP** (R&D services exemption in their national public procurement law), which is applicable to all public procurers in the country and in line with the EU procurement directives provisions.

There are no countries where the definition or the legal basis for PCP procurement have not been transposed, i.e. the category "nothing" is empty. In all 30 countries, all types of public procurers, therefore, have the necessary legal basis to implement PCP procurements.

Compared to the previous benchmarking there is small improvement on this sub-indicator "PCP definition" (European average increased from 49% to 50%). Four years ago, there were 16 countries (compared to 13 now) that had only a legal basis but no national definition for PCP procurement. There are now 4 additional countries with a definition of PCP in national guidance documents (PT, SI, FI and RO). In Italy there is a negative evolution as the definition of PCP disappeared from the amended national procurement legislation which provides now only a legal basis for the implementation of PCP.

4.1.4. Official definition for Public Procurement of Innovative solutions (PPI)

The table below illustrates to which extent an official definition for PPI has been introduced in each country.

Table 8. Level of introduction of official definition for PPI in each country

	Definition in legislation	Definition in non-legal document (guidelines...)	Only legal basis No definition	None of the previous (EU legal basis not transposed)
Full coverage and in line with EU definition		EE, DE, EL, PT (4)	BG, HR, CY, CZ, HU, IE, IT, LV, LT, LU, MT, NL, NO, PL, SK, CH, UK (17)	
No full coverage but in line with EU definition		BE (1)		
Full coverage but not fully in line with EU definition		AT, DK, FI, SI, ES, SE (6)		
No full coverage and not in line with EU definition		FR, RO (2)		
None of the				

previous				
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Source: Author's elaboration

So far, **no country has a definition of PPI in its national legal framework.**

13 countries (AT, BE, DE, DK, EE, ES, FI, FR, SE, EL, PT, SI, RO) have not defined PPI in legislation, but they **provide a definition for PPI in official guidance documents:**

- 4 countries (EE, DE, EL, PT) have introduced a definition of PPI fully in line with the EU definition and applicable to all public procurers.
- In Belgium, the definition of PPI is in line with the EU definition but only applicable to the Flanders region.
- 6 countries (AT, DK, FI, SI, ES, SE) have a PPI definition in guidance documents that are applicable to all public procurers but the definition is not in line with the EU definition. For instance, in Austria, the PPI definition does not explain where the boundary is where PPI stops (after the early adopters).
- France and Romania provide a PPI definition in national guidance documents that are not applicable to all public procurers. For example, in Romania, the definition is part of the *Guidelines on the Creation of a Competence Centre for Innovative Public Procurement* which was developed in 2022 under the *Action plan for Bucharest - Ilfov region*, therefore, not applicable to the whole country.

The remaining 17 countries (BG, HR, CY, CZ, HU, IE, IT, LV, LT, LU, MT, NL, NO, PL, SK, CH, UK) have no official definition of PPI neither in national legislation nor in official guidance documents. However, in these countries, the national public procurement legislation still **provides a legal basis for procurers to implement PPI**, in particular by allowing contract award and performance monitoring based on innovative solution characteristics. In all 30 countries, all types of public procurers therefore have the necessary legal basis to implement PPI procurements.

There are no countries where the definition or the legal basis for PPI have not been transposed, i.e. the category "nothing" is empty. In all 30 countries, all types of public procurers have the necessary legal basis to implement PPI procurements.

Compared to the previous benchmarking there is a small improvement on this sub-indicator “PPI definition” (European average increased from 42% to 44%). In the previous benchmarking there were 20 countries (compared to 17 now) that had only a legal basis but no national definition for PPI procurement. There are now 3 additional countries with a definition of innovation procurement in national guidance documents (SI, PT, RO).

4.2. Indicator 2 – Horizontal policies

This indicator reflects to what extent innovation procurement is advocated as a strategic tool or goal across 7 horizontal policy domains: “R&D policy”, “innovation policy”, “public procurement policy”, “competition policy”, “economic and financial policy”, “entrepreneurship policy”, “regional/urban policy”. The table below provides the score of Indicator 2 for each country and the overview of the scores for the 7 sub-indicators that correspond to the 7 horizontal policies.

Table 9. Indicator 2: Comparison of total scores in the previous (2020) and current (2024) benchmarking

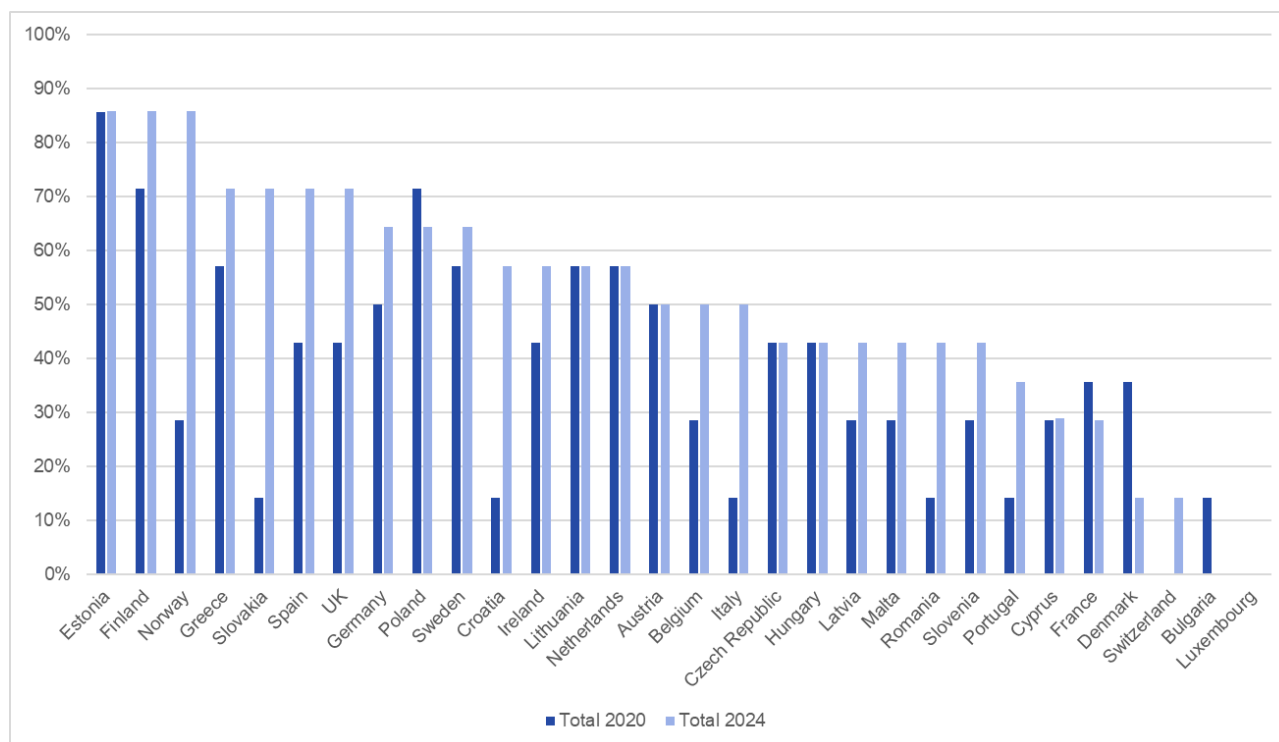
Country	R&D policy	Innovation policy	Public procurement	Competition policy	Economic and financial policy	Entrepreneurship policy	Regional/urban policy	Total (2024)	Total (2020)
Austria	100%	100%	0%	0%	100%	0%	50%	50%	50%
Belgium	50%	50%	100%	0%	50%	0%	100%	50%	29%
Bulgaria	0%	0%	0%	0%	0%	0%	0%	0%	14%
Croatia	100%	0%	0%	0%	100%	100%	100%	57%	14%
Cyprus	0%	100%	100%	0%	0%	0%	0%	29%	29%
Czech Republic	100%	100%	100%	0%	0%	0%	0%	43%	43%

Denmark	0%	0%	50%	0%	0%	0%	50%	14%	36%
Estonia	100%	100%	100%	0%	100%	100%	100%	86%	86%
Finland	100%	100%	100%	0%	100%	100%	100%	86%	71%
France	0%	0%	50%	0%	0%	100%	50%	29%	36%
Germany	100%	100%	100%	0%	0%	100%	50%	64%	50%
Greece	100%	100%	100%	0%	100%	0%	100%	71%	57%
Hungary	100%	100%	0%	0%	0%	0%	100%	43%	43%
Ireland	100%	100%	0%	0%	100%	100%	0%	57%	43%
Italy	100%	100%	100%	0%	0%	0%	50%	50%	14%
Latvia	0%	0%	100%	0%	100%	100%	0%	43%	29%
Lithuania	100%	100%	0%	0%	100%	0%	100%	57%	57%
Luxembourg	0%	0%	0%	0%	0%	0%	0%	0%	0%
Malta	100%	100%	0%	0%	0%	0%	100%	43%	29%
Netherlands	100%	100%	100%	0%	100%	0%	0%	57%	57%
Norway	100%	100%	100%	0%	100%	100%	100%	86%	29%
Poland	100%	100%	100%	0%	100%	0%	50%	64%	71%
Portugal	100%	100%	0%	0%	0%	0%	50%	36%	14%
Romania	100%	100%	100%	0%	0%	0%	0%	43%	14%
Slovakia	100%	100%	100%	0%	100%	0%	100%	71%	14%
Slovenia	100%	100%	0%	0%	0%	0%	100%	43%	29%
Spain	100%	100%	100%	0%	0%	100%	100%	71%	43%
Sweden	100%	100%	100%	0%	0%	100%	50%	64%	57%
Switzerland	0%	0%	100%	0%	0%	0%	0%	14%	0%
UK	100%	100%	100%	0%	0%	100%	100%	71%	43%
European average	75%	75%	63%	0%	42%	37%	57%	50%	37%

Source: Author's elaboration

The European average score for Indicator "Horizontal policies" is 50%, which is an increase compared to the 37% from the previous benchmarking. The below figure shows the ranking of the 30 countries for Indicator 2 for the two benchmarkings.

Figure 8. Indicator 2: comparison of country ranking in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

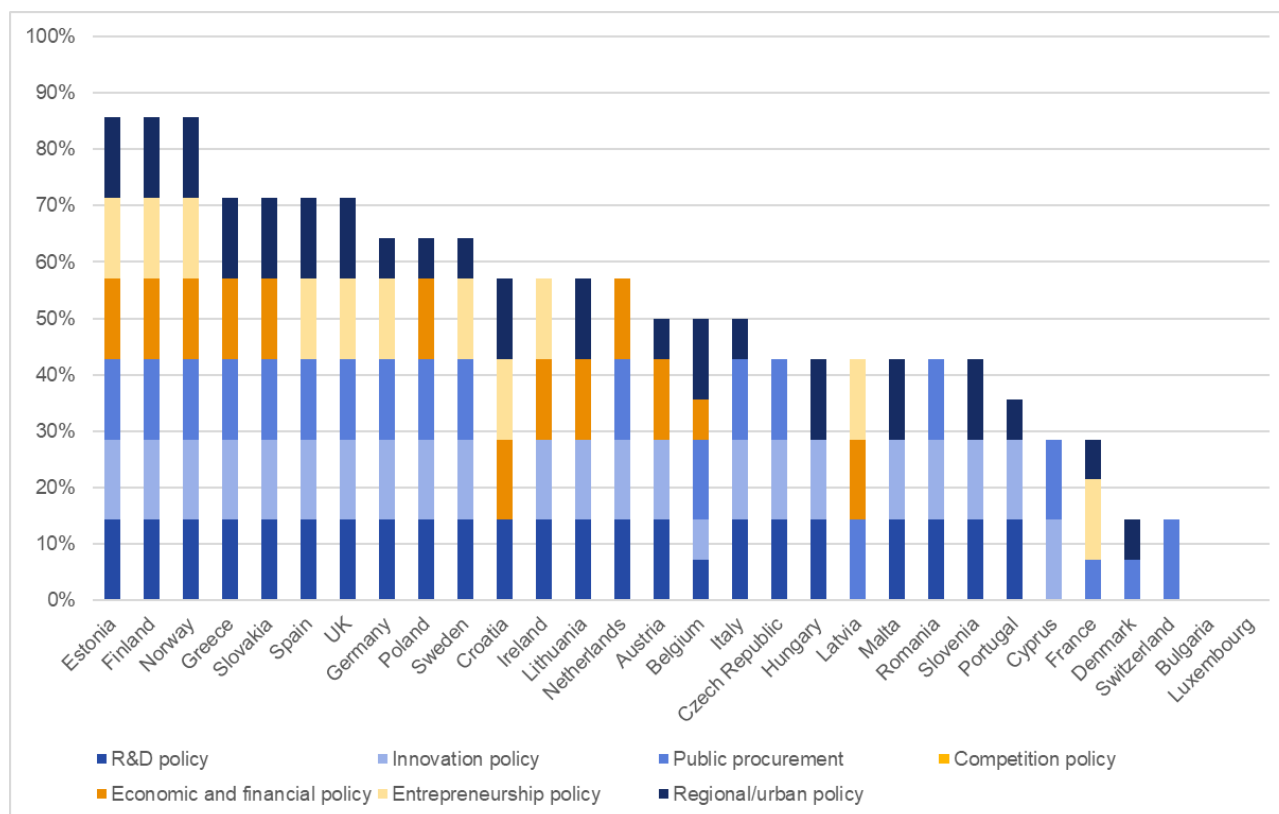
Since the previous benchmarking, there have been changes in the scores of many countries because **18 countries included innovation procurement as a strategic objective in additional national horizontal policies, which explains the increase in the European average score for the indicator from 37% to 50%**. In 7 countries, the situation remained the same as in the previous benchmarking and in 4 countries (Poland, France, Denmark and Bulgaria), the situation deteriorated as innovation procurement disappeared from a horizontal policy that was amended since the previous benchmarking.

In comparison to the previous benchmarking, when Estonia was the best performing country on this indicator (86%), with 6 horizontal policies recognizing importance of innovation procurement, **three countries are now sharing the first place** with the same scoring of 86% - **Estonia, Finland and Norway**. In all three countries, innovation procurement is recognised in all horizontal policies except for competition policy. Notably, in most countries, there is an increase in scoring in comparison to the previous benchmarking, with the highest increase recorded in Norway (from 29% to 86%), Slovakia (from 14% to 71%), Croatia (14% to 57%) and Italy (from 14% to 50%).

The lowest ranking countries are Luxembourg and Bulgaria, as innovation procurement is not recognised in any of their horizontal policies. This marks a slight change in comparison to the previous benchmarking, when Switzerland was, together with Luxembourg, one of the two countries that was completely lacking recognition of innovation procurement in all its national horizontal policies. Now, public procurement policy in Switzerland recognises innovation procurement, whilst Luxembourg still does not recognise innovation procurement in any of its horizontal policies yet. Bulgaria used to promote innovation procurement in its previous regional policy, but not in the current one.

The following figures show the breakdown of the score of each country across its sub-indicators.

Figure 9. Indicator "Horizontal policies" – breakdown of the scores across the sub-indicators



Source: Author's elaboration

“R&D policy” and “innovation policy” are the policy fields that endorse and promote the strategic importance of innovation procurement the most actively (75% score). This is mainly due to the fact that innovation procurement is inextricably tied with R&D&I activities. They are followed by “public procurement policy” (63% score) and “regional/urban policy” (57% score) that are promoting innovation procurement more moderately: clearly more should be done in the future to foster innovation procurement through those two policies. In addition, Innovation procurement is still insufficiently recognised in “entrepreneurship policy” (37%) and in “economic/financial policy” (42%). Innovation procurement is not addressed in “competition policy” in any of the 30 countries.

4.2.1. R&D&I policy

Table 10. Level of endorsement of innovation procurement in countries' R&D&I policies

	Country wide	Not country wide	No recognition
R&D policy	AT, HR, CZ, EE, ES, FI, DE, EL, HU, IE, IT, LT, MT, NL, NO, PL, PT, RO, SK, SI, SE, UK (22)	BE (1)	BG, CY, DK, FR, LV, LU, CH (7)
Innovation policy	AT, CY, CZ, EE, FI, DE, EL, ES, HU, IE, IT, LT, MT, NL, NO, PL, PT, RO, SK, SI, SE, UK (22)	BE (1)	BG, HR, DK, FR, LV, LU, CH (7)

Source: Author's elaboration

R&D and innovation policies have been grouped together because all countries, with the exception of Croatia, have a combined national R&D and innovation strategy.

In 24 countries, R&D&I policies promote innovation procurement (AT, CY, EL, HR, CZ, EE, ES, FI, DE, EL, HU, IE, IT, LT, MT, NL, NO, PL, PT, RO, SK, SI, SE, UK):

- **In 21 countries** (AT, CZ, EE, ES, FI, DE, EL, HU, IE, IT, LT, MT, NL, NO, PL, PT, RO, SK, SI, SE, UK), innovation procurement is included as a strategic objective or tool **in both the national R&D policy and in the national innovation policy**.
- **In Belgium**, the strategic importance of innovation procurement is recognised **in regional R&D and innovation policies, but not in national R&D&I policies**.
- **In Cyprus**, **only the national innovation policy** promotes innovation procurement, whilst **in Croatia only the national R&D policy** promotes innovation procurement.

In 6 countries (BG, DK, FR, LV, LU, CH), **both R&D policy and innovation policy do not recognise the strategic importance of innovation procurement**.

There is a significant positive trend for this sub-indicator “R&D&I policy” compared to the previous benchmarking: **The European average for “R&D policy” increased 22% (from 53% to 75%) and for “Innovation policy” with 18% (from 57% to 75%)**. Four years ago, there were 15 countries (compared to 22 now) whose R&D policy promotes innovation procurement (the new ones are HR, IE, UK, PT, RO, SK, IT) and 16 countries (compared to 22 now) whose innovation policy promotes innovation procurement (the new ones are CY, IT, NO, PT, RO, SK). The number of countries where neither the R&D nor the Innovation policy promotes innovation procurement has decreased from 9 to 6 countries.

4.2.2. Public procurement policy

Table 11. Level of endorsement of innovation procurement in countries' public procurement policies

	Applicable to all procurers country wide	Not applicable to all procurers country wide	No recognition
Public procurement policy	BE, CY, CZ, EE, ES, FI, DE, EL, IT, LV, NL, NO, PL, RO, SK, SE, CH, UK (18)	DK, FR (2)	AT, BG, HR, HU, IE, LT, LU, MT, PT, SI (10)

Source: Author's elaboration

18 countries (BE, CY, CZ, EE, ES, FI, DE, EL, IT, LV, NL, NO, PL, RO, SK, SE, CH, UK) **recognise the strategic importance of innovation procurement in public procurement policies that are applicable to all procurers in the country**. In some of these countries, innovation procurement is well structured in the national public procurement strategy and concrete actions are foreseen to realise it. For example:

- The Polish State Purchasing Policy¹ sets targets that 20% of public procurement shall go to innovation procurement, of which 3% to R&D procurement. To achieve these ambitions, the policy establishes the principle of the state as a demanding customer, in which the public sector creates demand for high-quality products, services and construction works by increasing competition (avoiding supplier lock-in), facilitating access of SMEs to the procurement market and giving preference to innovative solutions that help the state pursue both a quality goal (the maximization of functional requirements of purchased products while minimizing costs in the product life cycle) and an efficiency goal (improving the purchasing process through its digitisation and by introducing incentives for innovative solutions and cost estimation in the product life cycle).
- Also, in Estonia, one of the key principles in the policy document “Strategic Principles of Public Procurements”² is that public procurements should support innovation and promote innovation procurement where possible, for the aim of which targets for innovation procurement are set at 2% of the volume and 5% of the expenditure of all

¹ https://www.uzp.gov.pl/data/assets/pdf_file/0012/55110/State_Purchasing_Policy_ENG.pdf

² <https://kliimaministeerium.ee/media/12120/download>

public procurements by the year 2025, which increases to 5% of the volume and 10% of the expenditure of all public procurements by 2035.

In 2 countries, such as Denmark and France, **innovation is anchored in public procurement policies which are however not applicable to all procurers countrywide**. In Denmark, for example, there are only references to innovation procurement in municipal procurement strategy but not in an overall national public procurement strategy. Similarly, in France, innovation procurement is set as a priority at national level for the procurements for the national government (for national ministries and central government controlled public entities) but not for all other public procurers at regional and local level across the whole country.

In 10 countries (AT, BG, HR, HU, IE, LT, LU, MT, PT, SI), **public procurement policies do not explicitly recognise the strategic importance of innovation procurement yet**.

Compared to the previous benchmarking, there is limited progress on the sub-indicator “Public Procurement policy” (European average increased 13%, from 50% to 63%). Four years ago, there were only 15 countries (compared to 18 now) that embedded innovation procurement into their countrywide public procurement policies (the new ones are BE, CZ, ES, IT, LV, RO, SK, CH). The number of countries whose public procurement policy does not recognise the strategic importance of innovation procurement has decreased (from 15 to 10 countries), however there are also 5 countries whose public procurement policy previously promoted innovation procurement but now not anymore (AT, HR, IE) or not anymore in a public procurement policy that is applicable public procurers at all levels across the whole country (FR, DK).

4.2.3. Competition policy

Table 12. Level of endorsement of innovation procurement in countries’ competition policies

	Country wide	Not country wide	No recognition
Competition policy			AT, BE, BG, HR, CY, CZ, CH, DK, DE, EE, ES, FI, FR, EL, HU, IE, IT, LT, LV, LU, MT, NL, NO, PL, PT, RO, SK, SI, SE, UK (30)

Source: Author’s elaboration

No country has so far included provisions on innovation procurement in its competition policy to ensure a transparent, non-discriminatory level playing field for all economic operators on its procurement market.

There is no progress on this sub-indicator since the previous benchmarking (European average is still 0%), as the situation was exactly the same then.

4.2.4. Economic and financial policy

Table 13. Level of endorsement of innovation procurement in countries’ economic and financial policies

	Country wide	Not country wide	No recognition
Economic and financial policy	AT, HR, EE, FI, EL, IE, LT, LV, NL, NO, PL, SK (12)	BE (1)	BG, CY, CZ, CH, DK, DE, ES, FR, HU, IT, LU, MT, PT, RO, SI, SE, UK (17)

Source: Author’s elaboration

13 countries (AT, HR, EE, FI, EL, IE, LT, LV, NL, NO, PL, SK, BE) **emphasise the strategic importance of innovation procurement** for economic growth, competitiveness and for optimising financial sustainability of public services **in their economic and financial policy**.

- **In 12 countries** (AT, HR, EE, FI, EL, IE, LT, LV, NL, NO, PL, SK), innovation procurement is promoted by **economic and financial policies that are applicable to the whole country**. To achieve this objective, these strategies are usually interconnected with sectoral strategies. For example, in Poland, the “Strategy for Responsible Development (including the perspective up to 2030)”³ has a horizontal impact across several policy sectors, including transport, environment, energy and ICT.
- **In 1 country** (Belgium), the strategic role of innovation procurement is also recognised **in economic and financial policies, but only in regional coalition agreements**, not in the federal one for the whole country.

Still, **in the majority (17) of European countries** (BG, CY, CZ, CH, DK, DE, ES, FR, HU, IT, LU, MT, PT, RO, SI, SE, UK), **the strategic importance of innovation procurement is not yet recognised in their economic and financial policies**.

Compared to the previous benchmarking, there is significant progress on this sub-indicator “Economic and financial policy” (European average increased with 25% from 17% to 42%). Four years ago, there were only 6 countries (compared to 13 now) that promote innovation procurement as a driver for economic growth and financial sustainability of public services (the new ones are AT, HR, EL, IE, LV, NL, NO, SK) and 24 countries (compared to 17 now) that did not recognise the strategic importance of innovation procurement. France went backwards from promoting innovation procurement in its economic and financial policy for national levels procurers to not having it anymore.

4.2.5. Entrepreneurship policy

Table 14. Level of endorsement of innovation procurement in countries' entrepreneurship policies

	Country wide	Not country wide	No recognition
Entrepreneurship policy	HR, EE, ES, DE, FI, FR, IE, LV, NO, SE, UK (11)		AT, BE, BG, CY, CZ, CH, DK, EL, HU, IT, LT, LU, MT, NL, PL, PT, RO, SK, SI (19)

Source: Author's elaboration

11 countries (HR, EE, ES, DE, FI, FR, IE, LV, NO, SE, UK) **recognise the importance of innovation procurement** for creating business opportunities for entrepreneurs and boosting the scaling up of small companies **in their entrepreneurship policy that is applicable across the whole country**.

- In Spain, Finland or Latvia, for example, the use of innovation procurement in this policy area is focused on the creation of more competitive enterprises in the country. Germany, on the other hand, explicitly targets start-ups, whereas in France, innovation procurement is used as a tool to foster the participation of SMEs in public tender procedures.
- In Estonia, innovation procurement is embedded in the “Estonian Research and Development, Innovation and Entrepreneurship Strategy 2021-2035”⁴, an umbrella strategy that encourages Estonian research, development, innovation, and entrepreneurship sectors to work together to increase the well-being of the Estonian society and the productivity of the Estonian economy.

In the remaining **19 countries** (AT, BE, BG, CY, CZ, CH, DK, EL, HU, IT, LT, LU, MT, NL, PL, PT, RO, SK, SI), **entrepreneurship policy does not recognise the strategic importance of innovation procurement** for entrepreneurs and small company growth.

There is a noticeable improvement in comparison to the previous benchmarking for the sub-indicator “entrepreneurship policy” (European average increased 15%, from 23% to 37%). Four years ago, only 7 countries (compared to 11 now) promoted innovation procurement in their entrepreneurship policies (the new ones are HR, FI, ES, DE, FR, NO), and 23 countries (compared to 19 now) did not recognise the strategic importance of innovation

³ https://www.gov.pl/documents/33377/436740/SOR_2017_streszczenie_en.pdf

⁴ <https://www.hm.ee/media/1614/download>

procurement for small company growth. Cyprus used to promote innovation procurement in its entrepreneurship policy but it does not in the updated version of it now.

4.2.6. Regional / urban policy

Table 15. Level of endorsement of innovation procurement in countries' regional/urban policies

	Country wide	Not country wide	No recognition
Regional/urban policy	BE, HR, EE, ES, FI, EL, HU, LT, MT, NO, SK, SI, UK (13)	AT, DK, FR, DE, IT, PL, PT, SE (8)	BG, CY, CZ, CH, IE, LV, LU, NL, RO (9)

Source: Author's elaboration

13 countries (BE, HR, EE, ES, FI, EL, HU, LT, MT, NO, SK, SI, UK) **promote innovation procurement within their regional or urban policies, which are applicable for the whole country.** In these national strategies, in most cases, the actions to stimulate innovation procurement are foreseen in the context of the ESIF smart specialisation strategies that are implemented by regional authorities. In Spain, for example, the ESIF strategy is mobilising innovation procurements in all regions of the country.

8 countries (AT, DK, FR, DE, IT, PL, PT, SE) **recognise the strategic importance of innovation procurement for regional/urban development but only in certain regions, not for the whole country:**

- In Austria, for example, there is no national strategic framework for regional and urban policies, however, there are regions that have developed their own policy dedicated to innovation procurement. In particular, "VIENNA 2030 – Economy and Innovation"⁵ urban policy promotes innovation procurement among its instruments to further develop municipal services while also supporting the growth of innovative enterprises by looking for innovative solutions.
- In Germany, innovation procurement is not a specific objective of the country's regional or urban policy. However, a few federal states promote innovation procurement for regional or urban development in their own regional policies, such as the States of Bavaria⁶, Hessen⁷ and Thuringia⁸, the State of Saxony⁹ and the state of North Rhine-Westphalia¹⁰.

In 9 countries (BG, CY, CZ, CH, IE, LV, LU, NL, RO), there is **no recognition of the strategic importance of innovation procurement in regional/urban policies at national or regional level.**

Compared to the previous benchmarking, there is no overall progress on the sub-indicator "Regional and urban policy" (European average remains at 57%). While the number of countries that do not recognise the strategic importance of innovation procurement for the regional / local level has decreased slightly (from 10 to 9 countries), the number of countries that truly promote it countrywide to all their regions and local administrations has also decreased slightly (from 14 to 13 countries). 9 countries kept promoting innovation procurement countrywide through regional/urban policies (EL, FI, ES, EE, HU, LT, SK, SI, UK) and 4 new countries started doing so as well (NO, MT, BE, HR), but 2 countries stopped doing it altogether (BG, CZ) or no longer countrywide (PL, PT).

⁵ <https://www.wien.gv.at/english/business-media/vienna-2030.html>

⁶ https://www.stmwi.bayern.de/fileadmin/user_upload/stmwi/publikationen/pdf/2022-02-28_Innovationsland_Bayern.pdf

⁷ https://wirtschaft.hessen.de/sites/wirtschaft.hessen.de/files/2021-11/2021_10_25_his_endversion.pdf

⁸ https://wirtschaft.thueringen.de/fileadmin/Forschung_TMWWWDG/TMWWWDG_RIS-Thueringen2021-2027_final_01.pdf

⁹ <https://publikationen.sachsen.de/bdb/artikel/35302/documents/54808>

¹⁰ [https://www.wirtschaft.nrw/sites/default/files/documents/21-](https://www.wirtschaft.nrw/sites/default/files/documents/21-0924_mwide_broschuere_regionale_innovationsstrategie_des_landes_nrw-web2.pdf)

[0924_mwide_broschuere_regionale_innovationsstrategie_des_landes_nrw-web2.pdf](https://www.wirtschaft.nrw/sites/default/files/documents/21-0924_mwide_broschuere_regionale_innovationsstrategie_des_landes_nrw-web2.pdf)

4.3. Indicator 3 – ICT policies

As ICTs are catalysers for innovation and public sector modernisation, embedding innovation procurement as a strategic tool or objective in the digital/ICT policy of the country can be a particularly effective approach. Whilst improving the quality and efficiency of public services with innovative ICT solutions, innovation procurement can also foster company growth in the ICT sector itself. Therefore, this indicator reflects to which extent innovation procurement is embedded as a strategic priority in the **overall national digital / ICT policies** of different countries.

To reinforce EU strategic autonomy, it is important to also promote the use of innovation procurement to accelerate the development and the uptake of strategic ICT technologies, which have been agreed at the EU level as strategic technologies that are critical for ensuring Europe’s economic security (in particular AI / robotics, quantum computing and semiconductors / chip technology). Therefore, this indicator also provides information to which extent innovation procurement is promoted under **national policies for specific strategic ICT technologies**.

The table below provides an overview of the level of endorsement of innovation procurement in ICT policies.

Table 16. Indicator 3: comparison of scores in the previous (2020) and current (2024) benchmarking

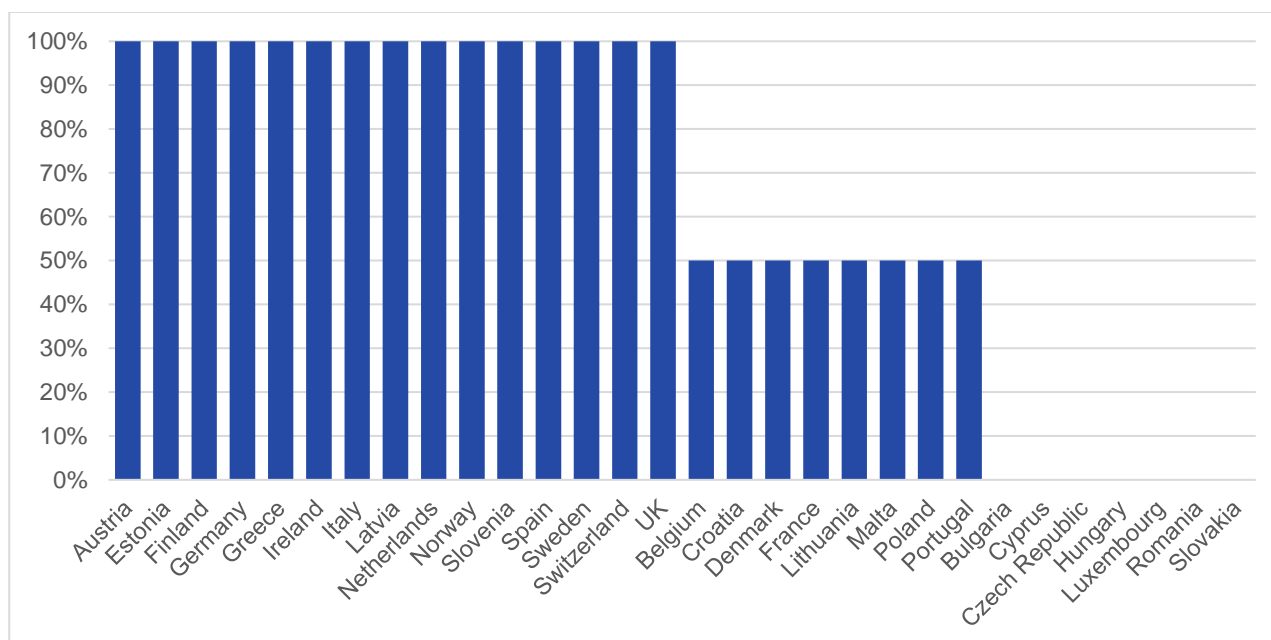
	Direct and full recognition (100%)	Indirect or partial recognition (50%)	No recognition (0%)	European average
ICT policies (2020)	CY, EE, EL, ES, FI, IT, MT, NO, SE, SI (10)	AT, BE, DE, FR, LV, NL, SK, UK (8)	BG, CH, CZ, DK, HR, HU, IE, LT, LU, PL, PT, RO (12)	47%
ICT policies (2024)	AT, EE, FI, DE, EL, IE, IT, LV, NL, NO, SI, ES, SE, CH, UK (15)	BE, HR, DK, FR, LT, MT, PL, PT (8)	BG, CY, CZ, HU, LU, RO, SK (7)	63%

Source: Author’s elaboration

The European average score for Indicator "ICT policies" is 63%.

The below figure shows the ranking of the 30 countries for Indicator 3.

Figure 10. Indicator 3: Country ranking



Source: Author’s elaboration

23 countries promote innovation procurement as part of their overall national digital/ICT policies.

- In 15 countries (AT, EE, FI, DE, EL, IE, IT, LV, NL, NO, SI, ES, SE, CH, UK), the use of innovation procurement is directly linked to a specific objective identified in the national digital/ICT policies, which means there is **direct and full endorsement** of the strategic importance of innovation procurement.
- In 8 countries (BE, HR, DK, FR, LT, MT, PL, PT), there is **only an indirect or partial reference** to the strategic importance of innovation procurement in the national digital/ICT policies.

In the remaining **7 countries** (BG, CY, CZ, HU, LU, RO, SK) **the overall national digital/ICT policies do not recognise strategic importance of innovation procurement**, whereas in the previous benchmarking this was the case with 12 countries.

The ICT policy in some countries also promotes innovation procurement in European Digital Innovation Hubs:

- The Greek national ICT policy actively encourages **Greek European Digital Innovation Hubs** to promote public buyers in their area to implement innovation procurements, to make available the expertise and infrastructure of the hub as test / living lab for innovation procurements, and to promote innovation procurements to companies. One of the Greek European Digital Innovation Hubs (GR digiGOV-innoHUB)¹¹ is already preparing to implement innovation procurements, as one of the partners that form this hub is Information Society SA, the principal Greek government's ICT systems and services Contracting Authority.

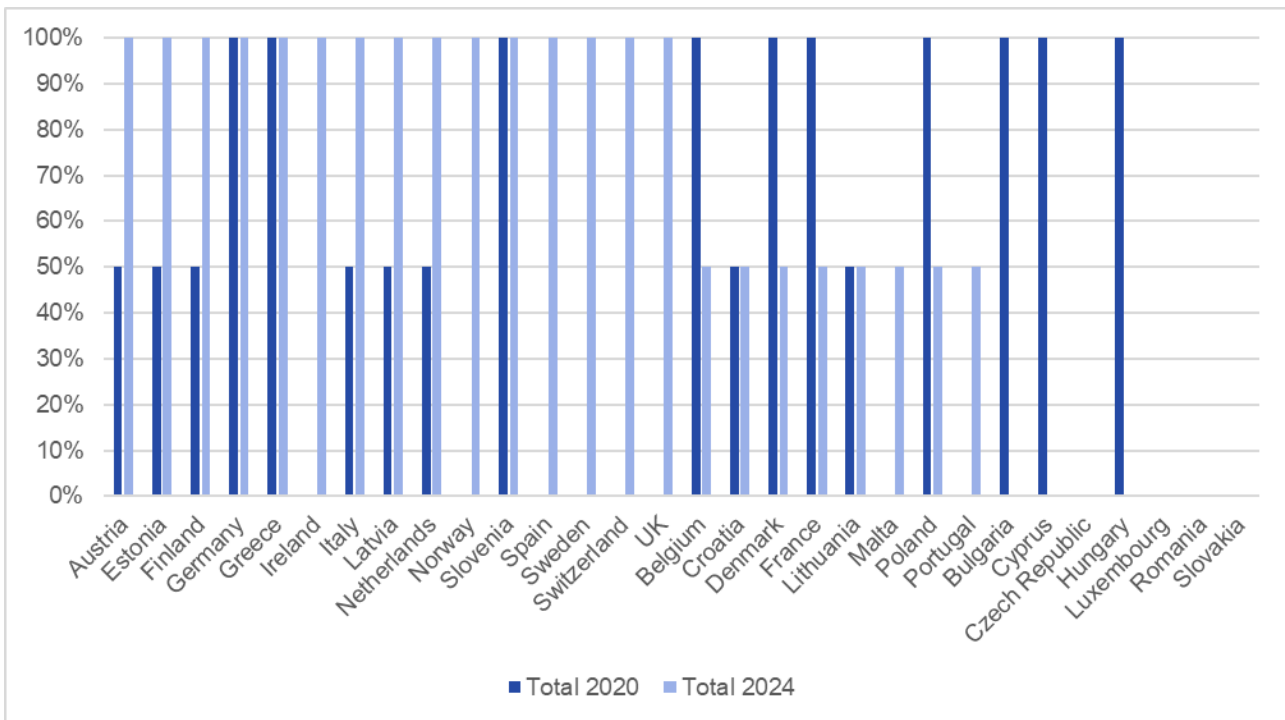
Only a few countries promote innovation procurement in their specific policies for strategic ICT technologies:

- 40% of countries do so in their national **AI strategy** (AT, EE, IE, MT, NL, NO, PL, PT, SI, ES, UK);
- 30% in their national **cybersecurity strategy** (AT, EE, FR, DE, MT, NL, PL, ES, UK);
- 10% of the countries in their national **quantum computing strategy** (DE, IE, UK);
- 10% of the countries in their national **supercomputing strategy** (DE);
- no country at all in their national **chip / microelectronics strategy**.

Better performance for AI and cybersecurity policies are linked to the fact that the EU AI and cybersecurity strategy promotes procurement of innovative AI and cyber related solutions.

¹¹ <https://digi.gov.innohub.gr/en/>

Figure 11. Indicator 3: Comparison of country ranking in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

In comparison to the previous benchmarking, when the majority (two thirds) of the countries did not recognise or only partially/indirectly recognised the role of innovation procurement as a strategic tool in ICT policies, the situation has somewhat improved. This is encouraged by the European Digital Decade and the European Digital Policy up to 2030, which highlighted the importance of innovation procurement for digitalisation of the public sector. **Half of the countries are anchoring innovation procurement in their national ICT policies now.** This clarifies the increase in the average score for this indicator from 47% to 63% in comparison to the previous benchmarking. Despite this positive trend, there is still room for improvement, as the remaining half of the countries either do not recognise innovation procurement in their national ICT policies or only partially recognise it. As ICTs are key catalysers for economic growth and public sector modernisation, it is important that countries invest time and effort in this. Indeed, **most of the countries that are lagging behind on anchoring innovation procurement into their national ICT policies tend to be those that are lagging behind on innovation procurement and public sector modernisation in general.**

The biggest improvement was made by Ireland and Switzerland, as their national digital/ICT policies did not recognise strategic importance of innovation procurement in any of their action points in the previous benchmarking, but now their new or revised national strategies fully endorse it. 5 countries (Croatia, Denmark, Lithuania, Poland and Portugal) improved from zero to partial endorsement and another 5 countries (Austria, Denmark, Latvia, Netherlands and the UK) from partial to full endorsement. Sadly, Malta dropped backwards from full to partial endorsement, as it no longer has concrete planned actions on innovation procurement in national digital policies.

Compared to 4 years ago, Europe has thus made **modest progress on pushing forward innovation procurement through ICT policies.** There is a 16% increase in overarching national digital policies that call for innovation procurement (**especially in national strategies for implementing the European Digital Decade**).

The below table provides some good practice examples of promoting innovation procurement through the overall national ICT policies and through specific policies for strategic ICT technologies.

Table 17. Indicator 3 – Good practice examples for innovation procurement promotion through ICT policies

Country	Evidence
Countries where innovation procurement is directly linked to a specific national digital/ICT strategy objective	
<p>Austria</p>	<p>The Digital Action Plan Austria¹² and the National Strategic Roadmap for the Austrian Digital Decade¹³ include “<i>promotion of innovation-promoting public procurement</i>” and “<i>the State initiatives projects for digital transformation and procures key digital technologies</i>” among the instruments to support applied R&D on digital solutions.</p> <p>The Artificial Intelligence Mission Austria 2030 (AIM AT 2030)¹⁴ plans to modernize the public sector with AI and encompasses steps for realizing the potential of utilizing AI in specific application fields, which range from climate protection to education. The document emphasizes that “<i>The public sector can act as a role model in the use of trustworthy AI applications and become a reference customer for trustworthy AI. With innovation-promoting public procurement (IÖB), an important strategic instrument is available that can be used to promote innovations and transfer them to the market. The state can, for example, act as a demander for ethical and trustworthy AI and thereby define markets, set standards and increase its efficiency. At the same time, innovative solutions from startups, young companies and small businesses can benefit from this.</i>”</p> <p>The Broadband Strategy 2030¹⁵, under the section <i>Promoting the market launch of digital applications and products</i>, states that “<i>The public sector can serve as a reference provider for new applications and technologies in the sense of public procurement that promotes innovation, including through the implementation of innovation partnerships.</i>”</p> <p>The 2021 Austrian Cybersecurity Strategy¹⁶ indicates under the topic area R&D that “<i>The Austrian state is both a client and a launch customer of cybersecurity systems developed in Austria, and in this dual role helps to enhance an application-focused approach to research and makes it easier for Austrian enterprises to market their cybersecurity solutions.</i>” It commits that “<i>A framework will be established to close the gap between application-focused research projects and the public procurement process. This framework will cover everything from fundamental research to the introduction of specific products to the market.</i>”</p> <p>Austria has also developed policies for other strategic technologies, such as the Quantum Austria initiative¹⁷. However, those do not encourage public buyers to implement more innovation procurements of quantum solutions, nor promote the use of innovation procurement as a tool to improve the strategic autonomy for those strategic ICT technologies. There is no dedicated national semiconductor strategy or programme.</p>
<p>Germany</p>	<p>The Federal Digital Strategy presented in 2022¹⁸ states that Germany wants to use the opportunities offered by public procurement to prioritize innovative solutions, thereby creating real opportunities and growth potential for German and European innovations based on research and development. The strategy specifically states that “<i>We also want to use the opportunities offered by public procurement to prioritize innovative solutions and thereby open up real opportunities and growth potential for German and European innovations from research and development, thereby strengthening digital sovereignty</i>”</p>

¹² <https://www.digitalaustria.gv.at/downloads.html>

¹³ https://www.digitalaustria.gv.at/dam/jcr:9b934433-f8e7-452f-bc86-cea60b214839/BMF%20Nationaler%20Fahrplan%202024-final-28112024-barrierefrei_EN_Korr.pdf

¹⁴ <https://www.bmk.gv.at/themen/innovation/publikationen/ikt/ai/strategie-bundesregierung.html>

¹⁵ https://data.breitbandbuero.gv.at/PUB_Breitbandstrategie-2030.pdf

¹⁶ <https://www.bundeskanzleramt.gv.at/en/topics/cybersecurity/austrian-cybersecurity-strategy.html>

¹⁷ <https://www.ffg.at/en/quantum-austria>

¹⁸ <https://www.bundesregierung.de/breg-de/themen/digitaler-aufbruch/digitalstrategie-2072884>

	<p><i>along the entire innovation chain through to application.”</i></p> <p>The German Cybersecurity Strategy¹⁹ refers in its objectives to optimising the public procurement system in accordance with the Strategy Paper of the Federal Government on Strengthening the Security and Defence Industry²⁰ which set out to reinforce innovation procurement including also pre-commercial procurement in the security sector. The cybersecurity strategy states that the Agency for innovation in cybersecurity (Cyberagentur) is tasked to implement ambitious research projects with high innovation potential in the field of cybersecurity and relevant key technologies to cover Germany's needs in the area of domestic commissioning / procurement and financing of internal and external security. These projects are implemented by Cyberagentur as pre-commercial procurements.²¹</p> <p>The German supercomputing strategy, High Performance Computing for the Digital Age²², also puts forward innovation procurement as a key instrument <i>“for ensuring the technological sovereignty of Germany and Europe”</i> and emphasises that <i>“the procurement of new computers is based on technological developments and also takes up innovative and experimental approaches.”</i></p> <p>Germany’s Action Plan on Quantum Technologies (2023)²³ includes <i>“creating incentives for product development and sales and procuring devices and software from startups and SMEs.”</i> That includes a purchasing strategy for "early products" which startups are capable of providing, in contrast to "established products", which they cannot provide (yet). This can be partially compensated by public money invested directly into procurement of devices and software from the startups. This "100% financing" strategy will provide a more reliable early market, and therefore, a basis for further growth and existence of the companies. It will prove sales and traction, which, in turn, lowers risk and, therefore, eases VC investment decisions.”</p> <p>Innovation procurement is not mentioned in Germany’s National AI strategy (2018)²⁴. The German semiconductor strategy was still under construction in 2023.</p>
Ireland	<p>The 2022 Harnessing Digital: The Digital Ireland Framework, Ireland's national ICT policy published by the Department of the Prime Minister, commits to <i>“encourage a strong public service innovation culture”</i> to underpin its digital transformation of public services objective and to <i>“use the public procurement process to support innovative digital startups and SMEs.”</i></p> <p>Connecting Government 2030, Ireland's current ICT policy for public services published by the Department of Public Expenditure and Reform, sets out that <i>“To ensure consistency across organisations, we will promote awareness of the possibilities of digital. We will put in place supports such as standards on how digital services should be designed and delivered; guidance for driving digital change through an organisation; a standard ecosystem of digital building blocks embracing an open-source approach, as appropriate; and using innovation procurement in the sourcing of digital solutions. This will also require the strengthening of digital skills within organisations.”</i> The ICT policy explicitly recognises the strategic importance of innovation procurement and fully fosters its use.</p> <p>Ireland's National AI Strategy aims for <i>“Better public service outcomes through a step change in AI adoption by the Irish public sector”</i>. The strategic action <i>“Opportunities for public procurement of AI: using public purchasing power to drive innovation and growth in the development of ethical and trustworthy AI”</i> states that <i>“Government will lead the way and drive growth in AI by purchasing and developing ethical and trustworthy AI applications... We want Ireland’s public service to become a showcase of AI adoption and</i></p>

¹⁹ https://www.bmi.bund.de/SharedDocs/downloads/DE/veroeffentlichungen/2021/09/cybersicherheitsstrategie-2021.pdf?__blob=publicationFile&v=2

²⁰ https://www.bmwk.de/Redaktion/DE/Downloads/S-T/strategiepapier-staerkung-sicherheits-und-verteidigungsindustrie-en.pdf?__blob=publicationFile&v=1

²¹ <https://www.cyberagentur.de/tag/pccp/>

²² https://www.bmbf.de/SharedDocs/Publikationen/de/bmbf/5/31669_Hoch_und_Hoehchstleistungsrechnen_fuer_das_digitale_Zeitalter.pdf?__blob=publicationFile&v=7

²³ <https://qbn.world/wp-content/uploads/2023/06/QBN-statement-on-Germanys-action-plan-on-Quantum-Technologies.pdf>

²⁴ <https://www.ki-strategie-deutschland.de/home.html>

	<p>reference site for industry solutions. By doing so, this will help to build public trust in AI.”</p> <p>Ireland’s Quantum 2030 strategy²⁵ includes actions for the “public sector to identify first use cases for quantum technologies” and “for all government departments to get prepared to be early adopters for quantum technologies in the public sector.”</p> <p>The 2019-2024 National Cybersecurity Strategy²⁶ does not specifically mention objectives on innovation procurement and the Irish semiconductor strategy²⁷ is still under construction.</p>
The Netherlands	<p>The 2022 National Digitalisation Work Agenda²⁸ specifies the facilitation of innovative procurement policy as one of the key actions to improve government’s ICT organisation and systems. The purpose is to foster the inclusion of better criteria and modern ICT requirements in the tendering process (e.g. with regard to European digital sovereignty, standards and harmonisation, openness/open source, etc.) and to support this, the government is preparing an innovation procurement handbook for purchases in the ICT sector, to be completed by the end of 2025.</p> <p>The 2024 Annual Plan for Government Procurement Digitalisation in the Netherlands²⁹ recognises that “Procurement is not just a matter of business operations. It is also a policy instrument for central government.” Section 4 sets out the strategic objective that “Government procurement contributes to the policy objectives that central government has set itself for social and economic development, such as sustainability and innovation.”</p> <p>The Strategic Action Plan for Artificial Intelligence³⁰ commits that “in the coming years, government departments will use various instruments within public procurement legislation to stimulate market innovation.” It mentions that this will include increasing dialogue with industry, R&D procurement (SBIR/PCP) and procurement of innovative solutions.</p> <p>The Dutch Cybersecurity Strategy 2022-2028³¹ commits under action line ‘The government stimulates the development of safe digital products through public procurement’ that “The government encourages the development of safe digital products through public procurement. The government can as big customer of ICT products influence that market through the formulation of its procurement requirements. The procurement policy of the government will in this way contribute to innovation and development of safe products and services.”</p> <p>In addition, the focus on digital technologies was included in the Dutch Mission-driven Top Sectors and Innovation Policy³² and in 2021, the Netherlands joined the international Circular and Fair ICT Pact, which creates a network of procurers committed to generate a demand for fair and circular ICT, supporting in turn ICT producers to change their business and accelerate innovations.³³</p> <p>The Dutch National Quantum programme Quantum Delta NL³⁴ does not promote the Dutch public sector to use innovation procurement to accelerate the development and early adoption of quantum-based solutions for public sector use cases. The Netherlands does not have a specific national semiconductor policy.</p>
Norway	<p>Norway’s Digital Strategy for the Public Sector 2019-2025 states that “The public sector spends over NOK 500 billion annually on procurements, but a small portion of this money appears to be actively used to stimulate innovation. Therefore, a goal will be to increase the innovation impact of public procurements. Innovation procurements are</p>

²⁵ <https://www.gov.ie/en/publication/126b4-quantum-2030-a-national-quantum-technologies-strategy-for-ireland/?n=@>

²⁶ <https://www.gov.ie/en/publication/8994a-national-cyber-security-strategy/>

²⁷ <https://www.gov.ie/en/press-release/60ff4-stakeholder-consultation-to-inform-national-semiconductor-strategy/>

²⁸ <https://www.government.nl/binaries/government/documenten/reports/2022/11/30/value-driven-digitalisation-work-agenda/Value-Driven+Digitalisation+Work+Agenda.pdf>

²⁹ Government Procurement Digitalisation in the Netherlands - Annual Plan 2024 | Annual plan | Government.nl

³⁰ <https://www.rijksoverheid.nl/documenten/beleidsnotas/2019/10/08/strategisch-actieplan-voor-artificiele-intelligentie>

³¹ <https://english.nctv.nl/topics/netherlands-cybersecurity-strategy-2022-2028/documents/publications/2022/12/06/the-netherlands-cybersecurity-strategy-2022-2028>

³² <https://www.nederlanddigitaal.nl/documenten/publicaties/2019/11/13/english-version-of-the-dutch-digitalisation-strategy-2.0>

³³ <https://www.government.nl/latest/news/2021/06/14/ict-pact-joining-forces-towards-circular-and-fair-ict>

³⁴ <https://quantumdelta.nl/>

	<p><i>about using public procurements to streamline and renew the public sector, while the business sector innovates and creates new jobs at the same time.”</i></p> <p>Norway’s Artificial Intelligence Strategy states that <i>“The public sector ought to actively explore opportunities in the market in connection with procurements, and innovative public procurements should be used where appropriate to facilitate innovative solutions, agencies ought to focus on their needs rather than on specific products or services.”</i></p> <p>According to a directive outlined in Part III of the ICT Policy for Value Creation and Inclusion, the government aims to bolster innovation and business advancement within welfare technology. This will be achieved through the adoption of open standards and an expanded application of innovative procurement practices.</p> <p>Norway’s National Cybersecurity Strategy³⁵ does not encourage public buyers to use innovation procurement. Norway does not have a specific national strategy for quantum or semiconductors.</p>
<p>Spain</p>	<p>Digital Spain 2025³⁶, in Section 24 (Key projects for the digitalisation of public services), states the need for <i>“Urgent initiation of digitalisation processes in strategic areas, in order to strengthen the efficacy and efficiency of the public sector in the provision of those public services which are fundamental to public well-being and economic productivity, giving impetus, in turn, to a culture of promoting innovative public procurement.”</i> Also, public innovation procurement is listed in Annex III (SWOT analysis of the State of Spain’s digital transformation) under the opportunities that Spain must further develop.</p> <p>Digital Spain 2026³⁷ entails eight specific digitalisation plans, which reinforce and develop the reforms and investments to be undertaken in different strategic areas, such as Connectivity and Digital Infrastructures, Promotion of 5G Technology, National Cybersecurity Plan, AI, etc. Some of these areas plan specific actions on innovation procurement:</p> <p>The Digital Spain plan 2026 announces that the CIBERINNOVA plan (plan for innovation in cybersecurity) will channel the majority of its budget (224 out of 235 € million) through the strategic initiative innovative public procurement. <i>“This initiative contemplates actions to cover demands and future challenges of public administrations, SMEs and strategic sectors. It will generate a national repository of challenges in cybersecurity and a catalogue of solutions resulting from the entire innovation process to continue advancing in the transfer of knowledge of the sector among academic researchers and the industry, with solutions and prototyping in end-user environments through: (i) sophisticated demand for cybersecurity and highly innovative pre-commercial procurements, (ii) promotion of the research sector and (iii) identification and development of cybersecurity talent.”</i></p> <p>The National Strategy for Artificial Intelligence³⁸, under strategic Axis nr. 5 ‘Public administrations as driving force for the development of AI’, contains the objective for public administrations to <i>“Act as a demander of technological solutions, thus promoting development of new programs and capabilities by the private sector. The needs of Artificial Intelligence is numerous in the public sector, in areas such as employment, health, justice, migrations; and its satisfaction will in turn allow the innovation in Artificial Intelligence. For this, you can use procurement instruments... in by virtue of which a Public Administration body proposes an objective or problem, leaving open how companies will provide solutions and, therefore, promoting private innovation in areas where there is no proven system or procedure to address the issue.”</i></p> <p>The Quantum Spain initiative³⁹ will involve the procurement installation of a quantum computer and making it accessible to researchers, but does not foresee the use of innovation procurement for Spanish public sector organisations to drive the development</p>

³⁵ <https://www.regjeringen.no/en/dokumenter/national-cyber-security-strategy-for-norway/id2627177/>

³⁶ https://portal.mineco.gob.es/RecursosArticulo/mineco/ministerio/ficheros/210204_Digital_Spain_2025.pdf

³⁷ <https://espanadigital.gob.es/sites/espanadigital/files/2022-08/Digital%20Spain%202026.pdf>

³⁸ <https://www.lamoncloa.gob.es/presidente/actividades/Documents/2020/ENIA2B.pdf>

³⁹ <https://quantumspain-project.es/en/about-us/>

	and adoption of quantum technology based use cases in the public sector. The national microelectronics and semiconductors plan ⁴⁰ does not foresee actions on innovation procurement either.
UK	<p>The UK Government has updated its technology and digital strategy since the previous benchmarking study, through three key documents: First its “Transforming for a digital future: 2022 to 2025 roadmap for digital and data” strategy (2022)⁴¹, which outlines its priorities for public sector digitalisation. Second, the Digital, Data and Technology Playbook (2024)⁴², which contains more practical guidance for authorities. And third, the UK Digital Strategy (2022)⁴³, which focuses on supporting the UK’s digital sector, rather than on public sector digitalisation.</p> <p>These three new policy documents contain an explicit endorsement of the role of innovation procurement, both in public sector digitalisation and digital sector outcomes. In particular, the Digital, Data and Technology Playbook contains multiple specific references endorsing the role of innovation procurement when undertaking digital transformation projects⁴⁴.</p> <p>The UK AI strategy (2021)⁴⁵ also explicitly stresses the importance of the public sector to be exemplar for AI procurement: “<i>The public sector as buyer: This requires leveraging public procurement and pre-commercial procurement to be more in line with the development of deep and transformative technologies such as AI...Therefore government also has a role to play when it comes to the use of AI, both as a significant market pull in terms of public procurement, such as the NHS and the defence sector, with a dedicated Defence AI Strategy and AI Centre, but also in terms of using the technology to solve big public policy challenges, such as in health and achieving net zero. Finally, it requires being bold and experimental, and supporting the use of AI in the service of mission-led policymaking.</i>”</p> <p>The UK National Cybersecurity Strategy (2022-2023)⁴⁶ highlights that government must take full advantage of the benefits that digital transformation brings, to drive innovation, analytical understanding and the scaling of capabilities in cybersecurity. It commits that government be an exemplar in the procurement and deployment of innovative high tech cybersecure solutions, becoming a stimulus to improve the broader ecosystem of such suppliers.</p> <p>The UK National Quantum Strategy (2023)⁴⁷ commits to accelerate government procurement and enable government to lead by example as an intelligent, early customer of quantum technologies, starting with £15 million over the next two years to boost government procurement of quantum technologies for public use, including for national security purposes.</p> <p>The UK National Semiconductor Strategy (2023)⁴⁸ plans some coordinating measures to improve the resilience in chip procurement practices, but it does not foresee measures to foster innovation procurements of innovative chip technology.</p>

Source: Author’s elaboration

⁴⁰ <https://planderecuperacion.gob.es/como-acceder-a-los-fondos/pertes/perte-de-microelectronica-y-semiconductores>

⁴¹ <https://www.gov.uk/government/publications/roadmap-for-digital-and-data-2022-to-2025/transforming-for-a-digital-future-2022-to-2025-roadmap-for-digital-and-data>

⁴² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1163838/DDaT_Playbook_Final.pdf

⁴³ <https://www.gov.uk/government/publications/uks-digital-strategy/uk-digital-strategy>

⁴⁴ <https://www.gov.uk/government/publications/the-digital-data-and-technology-playbook>

⁴⁵ https://assets.publishing.service.gov.uk/media/614db4d1e90e077a2cbdf3c4/National_AI_Strategy_-_PDF_version.pdf

⁴⁶ <https://www.gov.uk/government/publications/government-cyber-security-strategy-2022-to-2030/government-cyber-security-strategy-2022-to-2030-html>

⁴⁷ https://assets.publishing.service.gov.uk/media/6411a602e90e0776996a4ade/national_quantum_strategy.pdf

⁴⁸ <https://www.gov.uk/government/publications/national-semiconductor-strategy/national-semiconductor-strategy>

4.4. Indicator 4 – Sectoral policies

This indicator reflects to what extent innovation procurement is endorsed as a strategic priority in sectoral policies or action plans. This is tracked across all sectors in which the public sector is a major buyer, namely in each of the 10 sectors of public sector activity identified in the EU public procurement directives.⁴⁹

The Indicator "Sectoral policies" is a multi-dimensional indicator with 10 sub-indicators corresponding to the 10 areas of public sector activity. The table below provides the overall scores obtained by each country per sub-indicator.

Table 18. Indicator 4 – Comparison of scores in the previous (2020) and current (2024) benchmarking

Country (2024)	Healthcare and social services	Public transport	General public services	Construction sector	Energy sector	Environment sector	Water sector	Public order, safety, security and defence sector	Postal sector	Education, recreation, culture and religion	Total (2024)	Total (2020)
Austria	100%	100%	0%	0%	100%	100%	0%	0%	0%	100%	50%	60%
Belgium	50%	0%	50%	0%	0%	100%	0%	0%	0%	0%	20%	10%
Bulgaria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Croatia	0%	0%	0%	0%	100%	100%	0%	0%	0%	0%	20%	0%
Cyprus	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%	0%
Czech Republic	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	10%	0%
Denmark	100%	0%	0%	0%	0%	100%	0%	0%	0%	0%	20%	10%
Estonia	0%	100%	0%	100%	100%	100%	0%	0%	0%	0%	40%	0%
Finland	100%	100%	0%	0%	100%	100%	100%	100%	0%	100%	70%	50%
France	100%	0%	0%	0%	0%	100%	0%	100%	0%	0%	30%	35%
Germany	0%	0%	0%	0%	100%	100%	0%	100%	0%	0%	30%	0%
Greece	0%	0%	0%	0%	100%	100%	0%	100%	0%	0%	30%	0%
Hungary	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%	0%
Ireland	100%	0%	100%	100%	0%	100%	0%	0%	0%	0%	40%	40%
Italy	0%	0%	0%	0%	0%	100%	0%	100%	0%	0%	20%	0%
Latvia	0%	0%	100%	0%	0%	100%	0%	0%	0%	0%	20%	0%
Lithuania	0%	0%	0%	100%	100%	100%	0%	0%	0%	0%	30%	0%
Luxembourg	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%	0%
Malta	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	10%
Netherlands	0%	100%	0%	100%	100%	100%	100%	100%	0%	0%	60%	40%

⁴⁹ The following 10 sectors are defined in the EU public procurement directives: (I) healthcare and social services; (II) public transport (such as railway, urban railway, tramway, trolleybus, bus services, airport and port related activities); (III) general public services, public administration (covering e-government), economic and financial affairs; (IV) construction, housing and community amenities; (V) energy (covering exploration, extraction, production, transport and distribution of energy such as electricity, gas, heat, oil, coal and other solid fuels); (VI) environment; (VII) water; (VIII) postal services; (IX) public order, safety, security and defence; (X) education, recreation, culture and religion.

Norway	100%	100%	100%	0%	100%	100%	0%	100%	0%	0%	60%	40%
Poland	0%	0%	0%	0%	100%	100%	100%	0%	0%	0%	30%	0%
Portugal	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	10%	0%
Romania	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	10%	0%
Slovakia	0%	0%	0%	0%	100%	100%	0%	0%	0%	0%	20%	10%
Slovenia	0%	0%	0%	0%	100%	100%	0%	0%	0%	0%	20%	10%
Spain	100%	100%	0%	0%	100%	100%	100%	100%	0%	0%	60%	20%
Sweden	0%	100%	0%	0%	100%	100%	0%	0%	0%	100%	40%	30%
Switzerland	0%	0%	0%	100%	100%	100%	0%	100%	0%	0%	40%	10%
UK	100%	100%	100%	100%	100%	100%	100%	100%	0%	100%	90%	50%
EU average	28%	27%	15%	20%	53%	87%	17%	40%	0%	13%	30%	14%

Source: Author's elaboration

The European average score for the Indicator "Sectoral policies" is 30%, which is an increase compared to the 14% from the previous benchmarking.

The **best performers** in this field are **the UK** (90% score, meaning innovation procurement is recognised in 9 out of 10 areas of public sector activity) and **Finland** (70% score), followed by **Netherlands, Norway and Spain** (with 60% score) and **Austria** (with 50% score). These are the only six countries that promote innovation procurement through at least half of their sectoral policies.

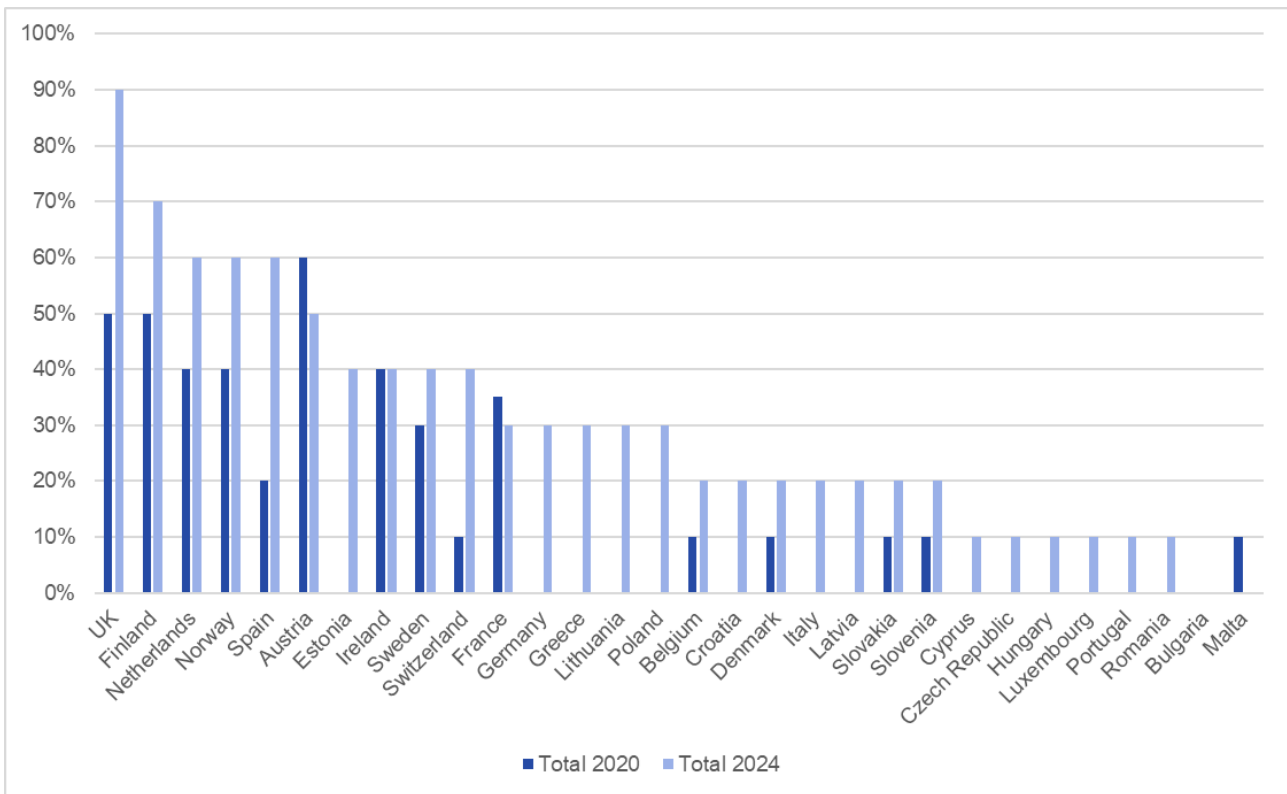
The remaining 24 countries are still **low performers that have anchored innovation procurement in the policies / action plans of less than half of the 10 sectors**:

- Two countries (Bulgaria, Malta) have not anchored innovation procurement in any sectoral policy (0% score);
- Six countries (Cyprus, Czech Republic, Hungary, Luxembourg, Portugal, Romania) have done so only in policies for 1 out of 10 sectors (10% score);
- Seven countries (Belgium, Croatia, Denmark, Italy, Latvia, Slovakia, Slovenia) only anchored innovation procurement in policies for 2 out of 10 sectors (20% score);
- Five countries (France, Germany, Greece, Lithuania, Poland) anchored innovation procurement in policies for 3 out of 10 sectors (30% score);
- Four countries (Estonia, Ireland, Sweden, Switzerland) anchored innovation procurement in policies for 4 out of 10 sectors (40% score).

As a result, **the European average of this indicator (30%) is still a rather low European average.**

The figure below shows the ranking of the 30 countries for Indicator 4.

Figure 12. Indicator 4: Comparison of country ranking in the previous (2020) and current (2024) benchmarking

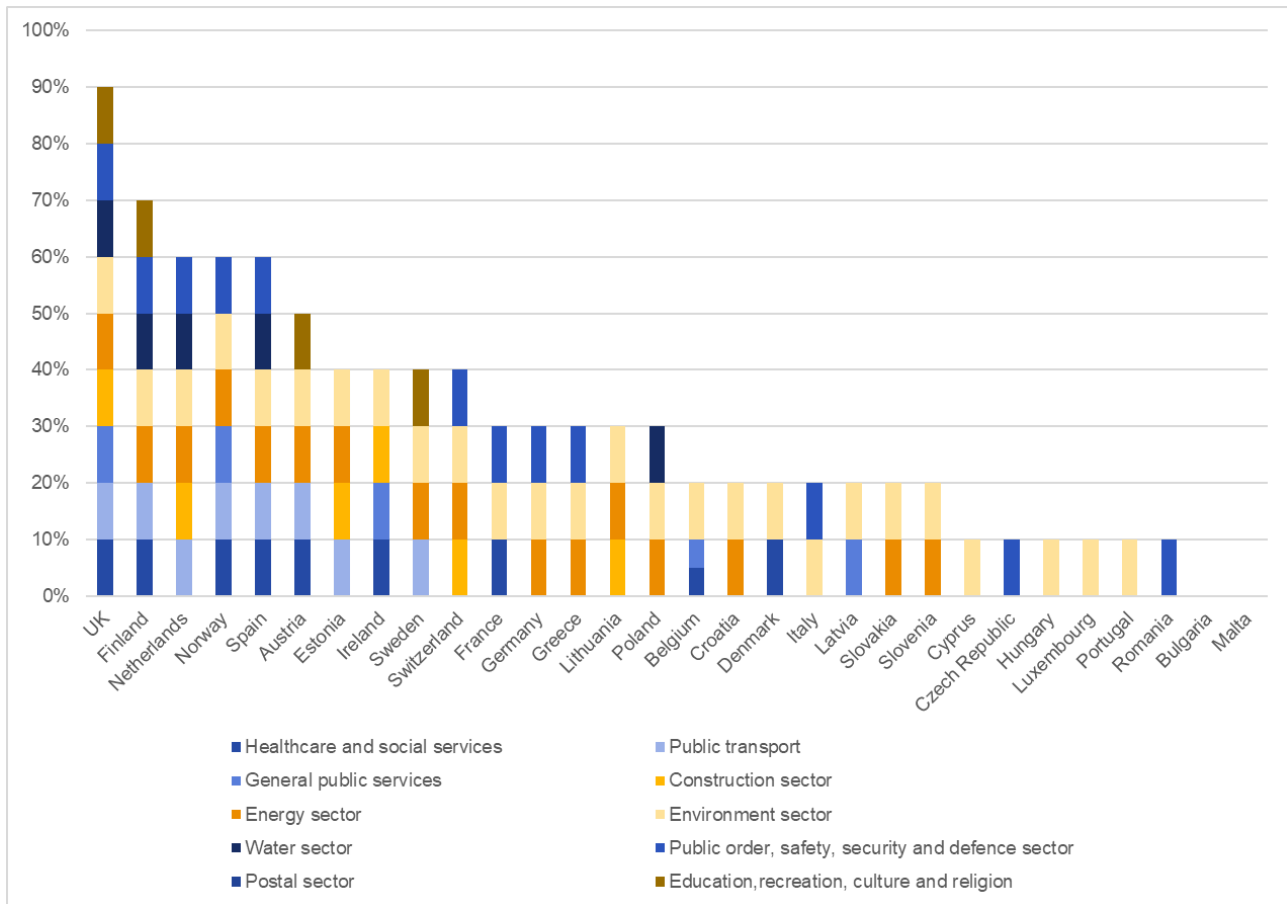


Source: Author's elaboration

Positive news is that the European average for this Indicator marks a **significant overall increase in comparison to the previous benchmarking**, when the European average was 14%. The biggest improvement was made in Estonia, Spain and the UK (+40%), Germany, Greece, Lithuania, Poland and Switzerland (+30%) and Finland, Norway, Netherlands, Latvia and Croatia (+20%), who anchored innovation procurement in respectively 4, 3 and 2 out of 10 additional sectoral policies. As a result, there are now only two countries that have not incorporated innovation procurement in the strategy for any area of public sector activity yet, whilst previously this was in 15 out of 30 countries. However, even if the UK is close to promoting innovation procurement in every sector (only postal sector is missing), so far, no country has incorporated innovation procurement in national strategies for all 10 areas of public sector activity yet.

To understand which sectors contributed most to the overall improvement, it is useful to look at the breakdown of the scores across the sub-indicators.

Figure 13. Indicator 4 – Country ranking with breakdown of the scores across sub-indicators



Source: Author's elaboration

This shows that **innovation procurement is most frequently embedded as a strategic priority in policy frameworks and action plans of the environmental sector** (in approx. 87% of countries), followed by **the energy sector** (in approx. 53% of countries) and the **public order, safety, security and defence sector** (in approx. 40% of countries). Sectorial policies where innovation procurement is the least prominent include the postal sector (zero countries embed innovation procurement as a strategic priority), followed by the education, recreation, culture and religion sector (in approx. 13% of countries), general public services sector (in approx. 15%) and the water sector (in approx. 17% of countries).

The sectors that are most active on innovation procurement are those sectors for which the policies at EU level were also promoting innovation procurement (energy, environment, defence) over the past few years. As national sectoral policies are typically based on the equivalent European sectoral policy, clearly, **it is important that, in the future, the EU's policies for all 10 sectors endorse more strongly innovation procurement** as strategic tool to modernise public services and boost industrial competitiveness and innovation.

4.4.1. Healthcare and social services

Table 19. Level of endorsement of innovation procurement in countries' healthcare and social services sector policies

Healthcare and social services	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, DK, FR, FI, IE, NO, ES, UK (8)	BE (1)	
Not for all types of innovation procurement			
Not available			BG, HR, CY, CZ, EE, DE, EL, HU, IT, LV, LT, LU, MT, NL, PL, PT, RO, SI, CH, SE, SK (21)

Source: Author's elaboration

9 countries encourage the use of innovation procurement in the health and social services sector:

- **8 countries** (AT, DK, FR, FI, IE, NO, ES, UK) have included innovation procurement as strategic priority in national policy frameworks and action plans **applicable to the whole country and for all types of innovation procurements**. For example:
 - The Norwegian Health Industry Strategy (2023)⁵⁰ states that “Public procurement is an important strategic instrument for stimulating innovation and new solutions... The Government expects the health and care services to use their purchasing power wisely, and to use their freedom of action for dialogue with the market. Joint and coordinated supplier dialogue can give municipalities the tools to strengthen their position as buyers and increase predictability in relation to procurement. Coordinated requirements and expectations from municipalities and county authorities can also contribute to predictability for suppliers, lay the foundation for developing municipal systems in a direction that meets the needs of the municipal sector – and that also facilitates innovation, testing, and scaling of solutions.”
 - The French Health Innovation Plan 2030⁵¹ announces under the “Principle measures” that it will reinforce the provisions for innovation procurement. The Ministry of Health also developed an operational guide on innovation procurement for public buyers in the health sector (in particular, hospitals).
 - Austria's Future Strategy for Life Sciences and the Pharmaceuticals Sector⁵², which addresses health, medicine, molecular biology, biomedicine and pharmaceuticals, recognises that “innovative public procurement could adequately address some challenges in the health sector, as the innovation factor is an integral part of the procurement process” and envisages “initiation of a pilot project of innovative public procurement for tailor-made medical products (best bidder principle, total cost of ownership).”
- **Belgium** includes innovation procurement in a healthcare policy that is **not applicable countrywide, but only in Flanders region**. Flanders Care 4.0, the Flemish programme to boost the development and sustainable implementation of innovative applications in the healthcare and welfare domains, cooperates with the Programme for Innovation Procurement (PIO)⁵³ to foster an innovation culture among public buyers.⁵⁴

⁵⁰ <https://www.regjeringen.no/contentassets/bb72ac44ee7a4ee1b8bb95a7b48210c8/en-gb/pdfs/the-health-industry.pdf>

⁵¹ <https://www.vie-publique.fr/en-bref/280612-sante-et-innovation-un-plan-de-7-milliards-deuros-pour-la-recherche#:~:text=%C3%80%20l'occasion%20de%20la,le%20domaine%20de%20la%20sant%C3%A9.>

⁵² <https://www.bmbwf.gv.at/en/Topics/Research/Research-in-Austria/Strategic-focus-and-advisory-bodies/Strategies/Future-strategy-for-life-sciences-and-the-pharmaceutical-sector.html>

⁵³ <https://www.vlaio.be/nl/vlaio-netwerk/programma-innovatieve-overheidsopdrachten-pio>

⁵⁴ <https://publicaties.vlaanderen.be/view-file/32221>

In **21 countries** (BG, HR, CY, CZ, EE, DE, EL, HU, IT, LV, LT, LU, MT, NL, PL, PT, RO, SI, CH, SE, SK), the national strategies for healthcare and social services **do not recognise the strategic importance of innovation procurement for modernising public health and social services.**

Compared to the previous benchmarking, there is slight overall progress on the sub-indicator “healthcare and social policy” (European average increased with 6% from 22% to 28%). The number of countries that recognise the strategic importance of innovation procurement for the healthcare and social sector countrywide has increased slightly (from 7 to 9), The two countries responsible for this progress are France (who previously promoted it in a healthcare policy that was not applicable country wide) and Denmark (who previously did not have it in any healthcare or social policy in the country).

4.4.2. Public transport

Table 20. Level of endorsement of innovation procurement in countries' public transport sector policies

Public transport	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, EE, FI, NL, NO, ES, SE, UK (8)		
Not for all types of innovation procurement			
Not available			BG, BE, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PL, PT, RO, SI, CH, SK (22)

Source: Author's elaboration

Innovation procurement is embedded as strategic priority in the public transport sector **in the whole country and for all types of innovation procurement in 8 countries** (AT, EE, FI, NL, NO, ES, SE, UK).

- One of the most structured strategies in this field is the Austria's 2030 Mobility Master Plan⁵⁵, which supports the Government's target of becoming climate-neutral by 2040 by implementing activities aimed at ensuring the climate-neutral transport sector by 2040. The strategy recognises that research, innovation and digitalisation are essential cornerstones for the mobility transition's success and that *“procurement that is focused on innovation will make it possible for new mobility solutions to be implemented in the public sector and make an impact.”*

In **22 countries** (BG, BE, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PL, PT, RO, SI, CH, SK), the national strategies for the public transport sector **do not recognise the strategic importance of innovation procurement for modernising the transport sector.**

Compared to the previous benchmarking, there is slight overall progress on the sub-indicator “public transport” (European average increased 5%, from 22% to 27%). The number of countries that recognise the strategic importance of innovation procurement for the public transport sector has increased slightly (from 6 to 8), with EE and NL joining the pack. However, France went backwards from partially promoting innovation procurement (not for all transport procurers country wide) to not having it any longer in its national transport policy.

⁵⁵ <https://www.bmk.gv.at/en/topics/mobility/mobilitymasterplan2030.html>

4.4.3. General public services

Table 21. Level of endorsement of innovation procurement in countries' general public services sector policies

General public services	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	IE, LV, NO, UK (4)	BE (1)	
Not for all types of innovation procurement			
Not available			AT, EE, FI, NL, ES, SE, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IT, LT, LU, MT, PL, PT, RO, SI, CH, SK (25)

Source: Author's elaboration

The use of innovation procurement is envisaged in the general public services sector in 5 countries:

- 4 countries (IE, LV, NO, UK) have included innovation procurement as strategic priority in their policy frameworks and action plans applicable in the whole country and to all public procurers. For example:
 - In Ireland, Making Innovation Real⁵⁶ strategy for embedding innovation in the Irish Public Service sets a goal to equip staff with the skills, mindset and tools to innovate and improve centralised Public Service innovation support and Innovation Fund.
 - In the UK, the 2013 Public Services (Social Value) Act⁵⁷ requires that procurers should consider how they can also secure wider social, economic (including innovation) and environmental benefits. The Cabinet Office subsequently issued guidance on how to use the Social Value Model in practice (via a Procurement Policy Notice⁵⁸) and recommended its application to all relevant central government contracts from January 2021. The notice also outlines that to “increase supply chain resilience and capacity”, public procurement should be used to “support innovation and disruptive technologies throughout the supply chain to deliver lower cost and/or higher quality goods and services”.
- In Belgium, Flanders’ Policy Memorandum for ICT and Faciliatory Management⁵⁹ supports innovation procurement to meet the needs of public sector entities, but this policy is applicable only in the region of Flanders, not countrywide.

In 25 countries (AT, EE, FI, NL, ES, SE, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IT, LT, LU, MT, PL, PT, RO, SI, CH, SK), national strategies do not recognise the strategic importance of innovation procurement.

Compared to the previous benchmarking, there is a slight overall progress on the sub-indicator “general public services” (European average increased 7%, from 8% to 14%). The number of countries that recognise the strategic importance of innovation procurement in their policies for the general public services sector has increased slightly (from 3 to 5), with LV, NL, UK and BE joining the pack. However, AT and FR went backwards and no longer include it in their national transport policy.

⁵⁶ <https://assets.gov.ie/200516/fad206d1-b1b6-4a1c-af35-b15fbf08a138.pdf>

⁵⁷ <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>

⁵⁸ <https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts>

⁵⁹ <https://publicaties.vlaanderen.be/view-file/32229>

4.4.4. Construction sector

Table 22. Level of endorsement of innovation procurement in countries' construction sector policies

Construction sector	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	EE, IE, LT, NL, CH, UK (6)		
Not for all types of innovation procurement			
Not available			BE, AT, FI, NO, ES, SE, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IT, LV, LU, MT, PL, PT, RO, SI, SK (24)

Source: Author's elaboration

Innovation procurement is **embedded as strategic priority in the construction sector in 6 countries** (EE, IE, LT, NL, CH, UK). All 6 countries have a systematic and detailed approach to support public procurers to undertake more innovation procurement in the sector, for example:

- In Estonia, the Long-Term View on Construction 2035⁶⁰ strategy, developed by the Ministry of Economic Affairs and Communications, identifies several activities and goals set to endorse the strategic importance of innovation procurement.
- Ireland's specific framework for public procurement in the construction sector – Capital Works Management Framework⁶¹, acts as a guidance document that recommends procurers to use output-based specifications to encourage supply-wide innovation in construction procurements. Moreover, the *Build Digital Project*, an open dialogue between the government and the construction sector launched in 2021, aims to foster digital adoption and enhance productivity, as well as to encourage supply-wide innovation in procurements of works.

In 24 countries (BE, AT, FI, NO, ES, SE, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IT, LV, LU, MT, PL, PT, RO, SI, SK), **the national strategy for the construction sector does not recognise the strategic importance of innovation procurement yet.**

Compared to the previous benchmarking, there is a slight overall decrease on the sub-indicator “construction policy” (European average decreased 2%, from 22% to 20%). The number of countries that recognise the strategic importance of innovation procurement in their policies for the construction sector has increased slightly (from 3 to 5) with EE, LT and CH joining the pack. However, AT, FI, SI and FR went backwards and no longer include it in their national construction policy.

⁶⁰ <https://www.mkm.ee/en/media/108/download>

⁶¹ [Capital Works Management Framework | Capital Works Management Framework \(constructionprocurement.gov.ie\)](#)

4.4.5. Energy sector

Table 23. Level of endorsement of innovation procurement in countries' energy sector policies

Energy sector	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, HR, EE, FI, DE, EL, LT, NL, NO, PL, SK, SI, ES, SE, CH, UK (16)		
Not for all types of innovation procurement			
Not available			BE, BG, CY, CZ, DK, FR, HU, IE, IT, LV, LU, MT, PT, RO (14)

Source: Author's elaboration

16 countries (AT, HR, EE, FI, DE, EL, LT, NL, NO, PL, SK, SI, ES, SE, CH, UK) include innovation procurement as strategic priority in policy frameworks and action plans in the energy sector in a way that is applicable to all public procurers and for all types of innovation procurement. For example:

- Sweden's Integrated National Energy and Climate⁶² Plan encourages public authorities to take a leading role in energy efficient procurement. It states that "There is great potential for using public procurement to reduce emissions and promote innovative and climate-smart solutions." It promotes in particular technology procurement (innovation procurements that are focused on technological innovations) as an instrument designed to initiate a transition in the market and to disseminate new, more efficient technologies and methods and new products, systems and processes.
- The German National Energy and Climate Plan up to 2030⁶³ foresees (in the electricity sector) "Pilot project relating to technology-neutral and innovation-focused procurement", and it foresees (in the Flexible cogeneration plants as a transition technology section) that "The Federal Ministry of Economic Affairs and Climate Action intends to launch a number of pilot projects involving cogeneration plants, and is therefore issuing calls for tenders for innovative cogeneration systems." In addition, the General Administrative Regulation on the Procurement of Energy-efficient Products and Services⁶⁴ (section 2.1) states that, "*with a view to climate-friendly procurement, options must also be examined to realize efficiency improvements through contractually agreed savings targets through contracting. In this respect, the overlaps with innovative procurement should also be used.*" It recommends public buyers to use best value for money criteria with tender requirements that include innovation aspects and refers to help of the toolbox offered by KOINNO.

On the other hand, 14 countries (BE, BG, CY, CZ, DK, FR, HU, IE, IT, LV, LU, MT, PT, RO) do not yet specifically recognise the strategic importance of innovation procurement for the energy sector. Some of those countries have an action plan or strategic framework in the energy sector which only foresees the use of green public procurement or sustainable procurement. However, there are no clear references to innovation procurement.

Compared to the previous benchmarking, there is big improvement on the sub-indicator "energy sector" (European average increased 41%, from 12% to 53%). The number of countries that recognise the strategic importance of innovation procurement in their policies for the energy sector has boomed (from 4 to 16). However, FR went backwards and now has no reference to innovation procurement in its energy policy.

⁶² https://energy.ec.europa.eu/system/files/2020-03/se_final_necp_main_en_0.pdf

⁶³ https://energy.ec.europa.eu/system/files/2022-08/de_final_necp_main_en.pdf

⁶⁴ <https://www.bmwk.de/Redaktion/DE/Downloads/A/allgemeine-verwaltungsvorschrift-zur-beschaffung-klimafreundlicher-leistungen-avv-klima.html>

4.4.6. Environmental Sector

Table 24. Level of endorsement of innovation procurement in countries' environmental sector policies

Environmental sector (2024)	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	BE, AT, EE, FI, NL, NO, ES, SE, UK, BG, HR, CY, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, PL, PT, SI, CH, SK (26)		
Not for all types of innovation procurement			
Not available			BG, CZ, MT, RO (4)

Source: Author's elaboration

26 countries (BE, AT, EE, FI, NL, NO, ES, SE, UK, BG, HR, CY, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, PL, PT, SI, CH, SK) **recognise the strategic importance of innovation procurement in their environmental policies** in a way that is applicable to all public procurers and for all types of innovation procurement. For example:

- The Danish Green Procurement for a Green Future Strategy⁶⁵ states that "The government will support public procurement in offering room for development and innovation to a greater extent, including in standardisable procurement areas usually subject to framework agreements...The competencies in innovation procurement and flexible tendering must be strengthened, and support must be provided with advice on the specific processes." Denmark is working on a new bioeconomy strategy that will update the Growth plan for water, bio and environmental solutions⁶⁶; this growth plan already set out to "strengthen the European market for environmentally and resource-efficient solutions through a greener purchasing approach, intelligent use of public procurement that contributes to demand for innovative solutions (e.g. using functional specifications and total cost of ownership approaches) and support for municipalities and utility companies to enter in joint procurements of innovative solutions."
- The support to innovation procurement is often facilitated by the existence of green public procurement frameworks, which are linked to innovation procurement practices (e.g. BE, DK, MT, SK). For example, The Belgian federal government's Action plan for Sustainable Development⁶⁷, the Action plan for Green Public Procurement⁶⁸ and later circulars regarding the action plans⁶⁹, encourage public procurers to consider in their purchasing decision, not only solutions that are innovative in terms of green aspects, but also solutions that are innovative in terms of non-green aspects (innovative solutions are referred to as solutions that don't exist yet and still need to be developed). As the federal government has set a target of 50% green procurement, this can also boost green innovation procurements.
- Among those 26 countries, **10 countries (AT, DK, EE, DE, IE, IT, LV, NO, ES, UK) promote greater use of innovation procurement to boost the biotech / bioeconomy sector**, which was identified as technology field where EU strategy autonomy is of critical importance to safeguard European economic security. For example, Austria's Bioeconomy Strategy (2019)⁷⁰ highlights that public procurement plays a key role in the development

⁶⁵ <https://oes.dk/media/39012/strategi-for-groenne-indkoeb-engelsk.pdf>

⁶⁶ https://www.regeringen.dk/media/1268/danmark_i_arbejde_-_vaekstplan_for_vand-_bio_miljoeloesninger.pdf

⁶⁷ https://www.duurzameontwikkeling.be/sites/default/files/content/fpdo_2021_nl.pdf

⁶⁸ https://gidsvoorduurzameaankopen.be/sites/default/files/file/20090307_Plan_D_Overheidsopdrachten_FINAL_NL.pdf

⁶⁹ https://www.ejustice.just.fgov.be/cgi/article_body.pl?language=fr&pub_date=2014-05-21&numac=2014021063&caller=list

⁷⁰ <https://www.bmk.gv.at/en/topics/climate-environment/climate-protection/bioeconomy/strategy.html>

of the bioeconomy and states that local authorities must assume their share of responsibility through innovation-friendly and sustainable public procurement and try to influence the market in favour of bio-based products.

In only 4 countries (BG, CZ, MT, RO), the environmental policy does not explicitly recognise the strategic importance of innovation procurement.

Compared to the previous benchmarking, the sub-indicator “environmental sector” has experienced the biggest improvement (European average increased 54%, from 33% to 87%). The number of countries that recognise the strategic importance of innovation procurement in their policies for the energy sector has boomed (from 10 to 26).

4.4.7. Water Sector

Table 25. Level of endorsement of innovation procurement in countries' water sector policies

Water sector	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	FI, NL, PL, ES, UK (5)		
Not for all types of innovation procurement			
Not available			BE, AT, EE, NO, SE, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PT, RO, SI, CH, SK (25)

Source: Author's elaboration

5 countries (FI, NL, PL, ES, UK) endorse innovation procurement in their water policies. For example:

- In the Spanish National Hydrological Plan⁷¹, the Ministry for the Ecological Transition and the Demographic Challenge developed specific guidance⁷² to promote innovation procurement in the water sector.
- The Polish National Environmental Policy 2030⁷³ addresses topics such as leveraging the opportunities presented by green public procurement in stimulating the market for eco-innovative technologies; more widespread use of Environmental Technology Verification by the public sector in green public procurement, implementation of activities for the Circular Economy in the public sector, support of the public sector in the procurement of environmental technologies, eco-innovations (using PCP and innovation partnerships) and developing the potential of cities to stimulate and use eco-innovation. One of the key objectives of the National Environmental Policy 2030 is "Sustainable water management, including assurance access to clean water for society and the economy and achieving good water status".
- Finland's Maritime Policy Action Plan⁷⁴ sets out the planned actions for the protection of the Baltic Sea. It defines as objective to "use innovation procurement to develop technology" for "creating a platform for developing and testing an efficient, safe and sustainable sea route".

The remaining **25 countries (BE, AT, EE, NO, SE, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PT, RO, SI, CH, SK) have not yet included innovation procurement as strategic priority in policy frameworks and action plans of the water sector.**

⁷¹ https://www.miteco.gob.es/content/dam/miteco/es/agua/temas/planificacion-hidrologica/7_ic_innovacion_1_tcm30-514163.pdf

⁷² https://www.miteco.gob.es/content/dam/miteco/es/agua/temas/planificacion-hidrologica/7_quiacpi_innovacion_1_tcm30-514164.pdf

⁷³ https://bip.mos.gov.pl/fileadmin/user_upload/bip/strategie_plany_programy/Polityka_Ekologiczna_Panstwa/Polityka_Ekologiczna_Panstwa_2030.pdf

⁷⁴ <https://valtioneuvosto.fi/paatokset/paatokset?decisionId=0900908f80799735>

Compared to the previous benchmarking, the sub-indicator “water sector” has experienced a reasonable improvement (European average increased 14%, from 3% to 17%). The number of countries that recognise the strategic importance of innovation procurement in their policies for the water sector has increased (from 1 to 5) as in the previous benchmarking only the Netherlands had done so. 5 is however still only a small portion of the 30 countries.

4.4.8. Public order, safety, security and defence sector

Table 26. Level of endorsement of innovation procurement in countries' public order, safety, security and defence sector policies

Public order, safety, security and defence sector	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	CZ, FI, FR, DE, EL, IT, NL, NO, RO, ES, CH, UK (12)		
Not for all types of innovation procurement			
Not available			BE, AT, EE, SE, BG, HR, CY, HU, DK, FR, IE, LV, LT, LU, MT, PL, PT, SI, SK (18)

Source: Author's elaboration

12 countries (CZ, FI, FR DE, EL, IT, NL, NO, RO, ES, CH, UK) **have included innovation procurement as strategic priority in policy frameworks and action plans of the public order, safety, security and defence sector.** In all 12 countries, innovation procurement is endorsed by national policy frameworks that are applicable countrywide and for all types of innovation procurement. For example:

- The 2023 National Spanish Defence Industrial Strategy⁷⁵ recognises the importance of public procurement to drive industrial technology development: “Due to their scope and high technological content, programmes for the procurement, modernisation and support of the Armed Forces are a real driving force and catalyst for national technological development in general, the promotion of dual-use technologies, the creation of highly qualified jobs and supporting the internationalisation of our industry.” Innovation is also a key element in the model of excellence for procurement in the Ministry of Defence’s procurement planning⁷⁶. The model of excellence bundles all best practices (including on innovation procurement) with a high ambition that exceeds legal requirements to make the Ministry of Defence the reference in excellent implementation of public procurement. One of the ten strategic objectives in the procurement planning is to “stimulate innovation in the procurement function of the Ministry of Defence” by being “committed to innovation, the development of new practices and their integration into the organization's (procurement) culture”.

The remaining **18 countries** (BE, AT, EE, SE, BG, HR, CY, HU, DK, FR, IE, LV, LT, LU, MT, PL, PT, SI, SK) **have not included innovation procurement as strategic priority in policy frameworks and action plans of the public order, safety, security and defence sector.**

Compared to the previous benchmarking, the sub-indicator “public order, safety, security and defence policy” has experienced a big improvement (European average increased 28%, from 12% to 40%). The number of countries that recognise the strategic importance of innovation procurement in their policies for the public order, safety, security and defence sector has increased (from 4 to 12) in comparison to the previous benchmarking (new ones are CZ, FI, FR, DE, EL, IT, RO, ES, CH). However, given the geopolitical tensions and the diversifying set of security threats that

⁷⁵ <https://publicaciones.defensa.gob.es/defence-industrial-strategy-2023.html>

⁷⁶ <https://www.defensa.gob.es/defensa/contratacionpublica/>

Europe is facing, it is worrying that still only 40% of the countries around Europe are using public procurement to buy cutting edge innovative solutions to have up-to-date equipment to run its defence and security operations.

4.4.9. Postal Sector

Table 27. Level of endorsement of innovation procurement in countries' postal sector policies

Postal sector (2024)	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement			
Not for all types of innovation procurement			
Not available			BE, AT, EE, FI, NL, NO, ES, SE, UK, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PL, PT, RO, SI, CH, SK (30)

Source: Author's elaboration

Compared to the previous benchmarking, the sub-indicator “postal sector” has experienced a slight decrease (European average decreased 3%, from 3% to 0%). In the previous benchmarking, Switzerland's postal strategy encouraged innovation procurement. However, Switzerland's Procurement Strategy 2017-2020 of the Swiss Post is not valid anymore. Other countries also do not include innovation procurement as a strategic priority in their policy framework of the postal sector anymore.

4.4.10. Education, recreation, culture and religion

Table 28. Level of endorsement of innovation procurement in countries' education, recreation, culture and religion sector policies

Education, recreation, culture and religion	Applicable countrywide	Not applicable countrywide	Not available
For all types of innovation procurement	AT, FI, SE, UK (4)		
Not for all types of innovation procurement			
Not available			BE, EE, NL, NO, ES, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PL, PT, RO, SI, CH, SK (26)

Source: Author's elaboration

Only 4 countries (AT, FI, SE, UK) have included innovation procurement as a strategic priority in policy frameworks and action plans in the education, cultural, recreation or religion sector. Some examples are:

- The UK's Realising the Potential of Technology in Education strategy (2019)⁷⁷ states that: “Through this strategy, we will underline the crucial role that technology will play in transforming education, establish this vision and galvanise the energy of the sector. We have already taken steps in this area, through our increasing engagement with businesses, and through partnership activity like supporting the Rocket Fund initiative that has boosted support and engagement with local communities to help UK schools procure and embed innovative technology”. In addition, the Department for Digital, Culture, Media & Sport’s action plan to engage SMEs in the supply chain⁷⁸ states that: “DCMS is fortunate enough to have 25% of UK businesses operating within its sectors, and we want these innovative suppliers to see us as a priority business partner.” The department wants to drive improvement by “proactively seeking and acting on feedback from SMEs and VCSEs to improve the processes and drive innovation in procurement, and embrace effective sharing of information and best practice across government.”
- Austrian Creative Industries Strategy⁷⁹ is applicable countrywide and points out that “...the creative industries should proactively and systematically use the potential that public procurement opens up for them at the various levels of administration” and increase awareness of existing measures in the field of innovation promoting public procurement.
- The National strategy for the promotion of sustainable development for companies in cultural and creative industries - Creative Sweden⁸⁰ states that “innovation in and through the cultural and creative industries can be supported by improved public procurement and more support for training”. This strategy tasks the Swedish National Agency for Public Procurement with developing support in the procurement of contracts related to the cultural and creative industries.

In 26 countries (BE, EE, NL, NO, ES, BG, HR, CY, CZ, HU, DK, FR, DE, EL, IE, IT, LV, LT, LU, MT, PL, PT, RO, SI, CH, SK), **innovation procurement is not included as strategic priority in policy frameworks or action plans in the education, cultural, recreation or religion sector.**

Compared to the previous benchmarking, the sub-indicator “education, recreation, culture and religion” has experienced a reasonable improvement (European average increased 10%, from 3% to 13%). Whereas in the previous benchmarking there was only 1 country that was promoting innovation procurement in national strategies for this sector, there are now 4 (AT, FI, SE, UK). However, in Norway and France, innovation procurement disappeared from their strategies in this sector.

4.5. Indicator 5 – Action plan

This indicator reflects to what extent each country has developed a dedicated action plan that foresees specific measures that are not covered by other horizontal policies (see Indicator 2) or sectoral policies (see Indicators 3 and 4) to encourage innovation procurement in a coordinated way across the country.

The table 29. and figure 14. provide the comparison of overall scores in the previous (2020) and current (2024) benchmarking, reached by each country that has adopted an action plan. The overall score is calculated as the average result of 9 sub-indicators shown in the columns of the table below.

⁷⁷ https://assets.publishing.service.gov.uk/media/5ca360bee5274a77d479facc/DfE-Education_Technology_Strategy.pdf

⁷⁸ <https://www.gov.uk/government/publications/dcms-action-plan-to-engage-small-and-medium-sized-enterprises-in-its-supply-chain/dcms-action-plan-to-engage-small-and-medium-sized-enterprises-in-its-supply-chain>

⁷⁹ <https://www.bmaw.gv.at/en/Topics/Business-Location/Creative-Industries.html>

⁸⁰ https://www.regeringen.se/contentassets/5362b817cbfb4966aa2be1158f946c67/sou-2022_44-webb_.pdf

Table 29. Indicator 5: breakdown of total scores and comparison of scores in the previous (2020) and current (2024) benchmarking

Country	Coverage	Commitment to concrete actions	Dedicated resources	Definitions of results	Clear timeline	Commitment of Key procurers	Definitions of actors	Definition of decision-making structures	Measures to pool demand	Total (2024)	Total (2020)
Austria	100%	100%	50%	50%	0%	50%	100%	50%	75%	64%	64%
Belgium	25%	50%	50%	50%	50%	25%	50%	50%	50%	44%	44%
Finland	100%	100%	50%	50%	50%	50%	100%	50%	75%	69%	81%
Other 27 countries	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
European average	8%	8%	5%	5%	3%	4%	8%	5%	7%	6%	8%

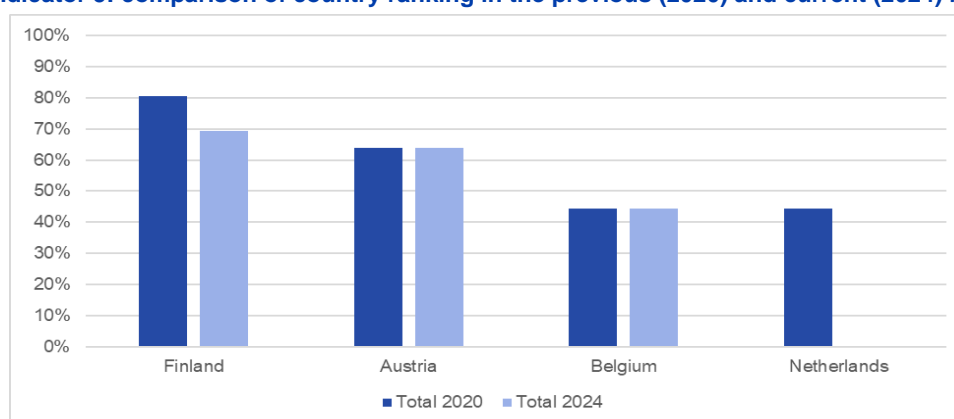
Source: Author's elaboration

There are only 3 countries with a dedicated action plan for innovation procurement. As a result, the European average for the Indicator "Action plan" is 6%. This is mainly due to the fact that in the majority of the countries (27 countries: BG, CY, CH, CZ, DE, DK, EE, EL, ES, FR, HR, HU, IE, IT, LV, LT, LU, MT, NL, PL, PT, RO, SE, SK, SI, UK, NO, there is no dedicated action plan for innovation procurement. 5 of those countries without a dedicated action plan for innovation procurement have spelled out some planned actions for stimulating innovation procurement as part of other wider national strategies / policies: NO, FR, HU, CZ, LU. Compared to the previous benchmarking, there is also an increasing amount of countries (6 at the moment) that are discussing to create dedicated action plans for innovation procurement: SI, PT, EE, CZ, SK, EL.

However, even if we count those extra countries, **there are only 14 countries that have agreed or are busy agreeing on a concrete planning to implement innovation procurement.** This is at odds with the other indicators which show that many more countries have policies that aim to push for more innovation procurement. There are even 6 countries (EE, FR, IT, LT, PL, SK) that have set targets for innovation procurement (see indicator 6) but that have not created yet any concrete action plan to mobilise the resources to achieve those targets. Only 2 of those (EE and SK) are working on action plans at the moment. There is only one country with a target that has so far adopted an action plan (FI). **The lack of actions plans across Europe is posing a risk that many of the ambitions of different countries may not get realised.** There are already a few countries where industry started de-investing in innovative solutions as the government's policy announcements to modernise public services (e.g. linked to the Green Deal) did not result in sufficient concrete public procurements to deploy those solutions. **It is therefore important that in the future the EU encourages all countries to adopt national action plans for innovation procurement that ensure that policy ambitions and priorities are really transposed into concrete procurement action on the ground.**

The figure below shows the ranking of the countries with a dedicated action plan for innovation procurement.

Figure 14. Indicator 5: comparison of country ranking in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

As opposed to the previous benchmarking, when there were four countries (FI, AT, BE, NL) that adopted a dedicated action plan for innovation procurement, there are currently only three countries that have an action plan (FI, AT, BE). This change occurred due to the fact that the national action plan for innovation procurement that the Netherlands had created in 2013, is no longer valid and a new version of the action plan is not available. As a result, compared to the previous benchmarking, the European average for Indicator 5 “Action Plan“ has decreased (from 8% to 6%).

Belgium's and Austria's action plans did not significantly change in terms of coverage, allocation of resources or timeline for executing the action plan. **Finland** however, who already had **the most comprehensive, well-structured and up-to-date action plan**, has further increased the level of ambition in its renewed action plan. Whereas its 2017 action plan aimed to kickstart a first coordinated approach to innovation procurement in the country, **its 2020 action plan focuses now on concrete measures that can mainstream innovation procurement widely across the country**. Countries that are developing or revising their action plan, can therefore look at the Finnish action plan as good practice example.

Table 30. Examples of dedicated innovation procurement action plans

Country	Action plan - evidence
Finland	<p>In July 2020, Finland adopted an updated national Action Plan for Increasing the Use of Innovative Public Procurement, Developing Services and Promoting Sustainable Growth⁸¹, which promotes innovation procurement as means to drive the achievement of societal development objectives, including social, climate and sustainability targets, and support public sector renewal. The action plan is implemented in the period 2020–2024. The new plan pushes the ambition level higher than the previous plan to achieve the national target for innovation procurement. It aims to reach this goal by anchoring innovation procurement ‘structurally’ into policy making and public procurement planning.</p> <p>The Action Plan commits to specific measures and divides them into two main categories:</p> <ol style="list-style-type: none"> Promoting innovation procurement by developing cooperation, structures and operating models <ul style="list-style-type: none"> Novel elements compared to the previous action plan include: each ministry creates its action plan for innovation procurement with targets and monitoring of progress, central purchasing bodies include innovation objectives in their procurements, pool demand for innovation procurement based on the national sectorial strategies (e.g. in health, climate change, circular economy, energy, transport etc) to increase impact, including innovation procurement in the cities’ local planning, installing a continuous automatic monitoring of public sector expenditure on innovation procurement, making KEINO the permanent national competence for innovation procurement and increasing Finnish participation in EU funded innovation procurement activities, setting up a risk fund to share risks that are inherent to innovation procurements. Improving skills and management linked to procurement and developing cooperation with companies <ul style="list-style-type: none"> Novel elements compared to the previous action plan include: integrating innovation procurement skills development into study modules of universities in line with the EU ProcurComp framework, developing strong regional branches of KEINO (so-called change agents), expanding the set of training tools on innovation procurement e.g. also with thematic ones per sector (e.g. for digital sector), new contracting models to engage with companies (pooling of demand to create larger markets for companies, automated company data collection to improve tender preparation, applying outcomes based specifications), increasing companies’ competences on innovation procurement, develop a method to evaluate the impacts of completed innovation procurements. <p>Each measure is supplemented by specific activities whose implementation is entrusted to responsible actors in public procurement, which include competence centre KEINO, relevant ministries in the central government and other specific actors. The score for sub-indicators definition of actions and definition of actors is therefore 100%.</p> <p>As the Action Plan is applicable to all types of innovation procurement and to all public procurers in the country and is designed to mainstream innovation procurement at large scale, the score for sub-indicator coverage is 100%.</p> <p>Expected results, time schedule and resources are defined for each specific activity, however most activities are clearly defined for 2019 and 2020, less so for 2021 and activities for 2022 and 2024 are not specifically identified. The entities that will invest resources and the type of resources required for the different actions are listed but the committed budgetary resources are not defined in the action plan. The score for the sub-indicators expected results, time schedule and resources is therefore 50%.</p> <p>Innovation procurement is now addressed more strategically at the central government level. As the</p>

⁸¹https://tem.fi/documents/1410877/36553790/MEE_Action_Plan.pdf/eea428b3-a5c6-2207-5775-f595f0d5a404/MEE_Action_Plan.pdf?t=1600240171125

	<p>action plan is still in the process of obtaining similar commitment from other procurers at local and regional levels and setting up cooperation and decision-making structures between different levels (through ecosystem agreements), the score for the sub-indicators commitment of key procurers and inter-level decision making structures is currently 50%.</p> <p>Through the involvement of the national central purchasing bodies and the creation of purchasing groups, the action plan defines concrete measures to pool demand among procurers across the whole country and for all types of innovation procurement. However, this is not implemented yet at a scale to mainstream innovation procurement widely yet. Therefore, the score of the sub-indicator pooling of demand is 75%.</p> <p>The total score for the indicator is 69%, which is well above the European average (6%). Finland is the country with the highest score on this indicator, as its action plan for innovation procurement is the most ambitious, comprehensive and up to date, which can be an inspiration for other countries around Europe that are currently building their action plans.</p>
Austria	<p>Austria still has in force the Action Plan on Public Procurement Promoting Innovation (PPPI)⁸² drafted in 2012 as a follow-up to the "Austrian Strategy for Research, Technology, and Innovation" from 2011. The Action Plan is currently being revised and the revision is planned to be published in Q1 2024 as "PPPI Strategy Framework 2030". The revised action plan will include tangible measures for developing the PPPI initiative further, e.g. with regard to embedding it in national strategies, broadening the community, helping to tackle current societal challenges, improved monitoring etc. The aim is to go far beyond the current action plan to enable widescale mainstreaming of innovation procurement.</p> <p>According to the Action Plan in force, Austria intends to use PPPI as demand-side innovation policy, complementing supply-side initiatives and improving the share of public procurement volume utilised for innovation. The Action Plan covers all types of innovation procurement across the country for all public procurers in all sectors and administrative levels, with the aim of mainstreaming innovation on a large scale. The score for the existence and coverage of the Action Plan is, therefore, 100%.</p> <p>The Action Plan identifies concrete actions (e.g. the management of a PPPI platform) and activities that are linked to a set of specific objectives which translate the overall strategic objectives and the mission of the Action Plan. The specific activities include (i) raising awareness on innovation through public procurement; (ii) fostering dialogue between demand and supply; (iii) qualifying decision makers and procurers for PPPI; (iv) introducing and fostering new approaches for PPPI; (v) establishing a monitoring and benchmarking system; (vi) integrating PPPI actions in sectorial strategies and in different administrative levels. The score for the sub-indicator concrete actions is therefore 100%.</p> <p>The timeline to implement the abovementioned activities was defined only for the period 2012-2013, whereas for the implementation of remaining activities there is no timeline. Therefore, the score for sub-indicator timeline is 0%.</p> <p>The Ministry for Digital and Economic Affairs (BMDW) and the Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK) finance the Action Plan. However, their role, and the role of key procurers in the country, in implementation of activities and reaching the set objectives is not as clearly defined as for the competence centre. Therefore, the score for the sub-indicators dedicated resources and definition of results is 50%.</p> <p>In terms of governance, the Action Plan defines actors to achieve different objectives. For example, the key procurement organisation involved in the implementation of the Action Plan is the PPPI Service Centre. Its services cover three main objectives: raising awareness for PPPI, matching public procurers and potential suppliers of innovative solutions and increasing the overall share of procurement budgets used for PPPI. Therefore, the score for the sub-indicator definition of actors is 100%.</p> <p>According to the roles delegated to it by the referring Action Plan, the PPPI Service Centre operates as a national competence centre for innovation procurement and is mainstreaming innovation procurement at a large scale. In addition, relevant stakeholders in five sectors in the country are mobilised and are implementing the Action Plan, which is evident from the existing sectorial policies that underpin the usage of innovation-promoting public procurement. In other sectors, there is no dedicated commitment from all relevant public buyers (defence, construction, water, postal services, education). Therefore, the score for the sub-indicator commitment of key procurers is 50%.</p> <p>The overall score for the sub-indicator definition of decision-making structures is 50%, since the Action Plan does not define a clear decision-making structure with other ministries and key procurers to ensure implementation of the objectives; namely, there are no binding agreements to define roles and responsibilities of the relevant stakeholders.</p> <p>Finally, through the involvement of the national central purchasing body BBG, the Action Plan defines concrete measures to pool demand among public and private procurers across the whole country and</p>

⁸² <https://era.gv.at/policies/innovation-procurement/austrian-action-plan-public-procurement-promoting-innovation/>

	<p>for all types of innovation procurement, however not at a level to scale up innovation procurement widely yet. Therefore, the score for this sub-indicator measures to pool demand is 75%.</p> <p>The total score for the indicator action plan is 64%, which is the same as in the previous benchmarking study and well above the European average (6%). There is room for future improvement, as the top performing country Finland (69%) has an action plan that is already bolstering policy measures to scale up innovation procurement widely.</p>
Belgium	<p>In Belgium, there is no dedicated national action plan for innovation procurement.</p> <p>However, at the regional level, there is the Flemish Action Plan 2024-2025 for Innovation Procurement⁸³, which entrusts the Innovative Public Procurement Program (PIO) to promote innovation in public procurements of all public procurers in all sectors across the region.</p> <p>The first round of the PIO programme ran from 2009 to 2015, the second from 2016 to 2019, and the third from 2020 to 2024. Thanks to this programme, all Flemish government and other public sector organizations in Flanders that fall under the Belgian Public Procurement Act can contact PIO for information, advice, guidance, and co-financing for innovation procurement projects. PIO has well-defined action plan with expected results, clear timeline, and budget (EUR 3.9 million in 2020 from the Fund for Innovation and Entrepreneurship).</p> <p>PIO has three strategic goals that will be achieved through four operational objectives:</p> <ol style="list-style-type: none"> 1. Modernising the functioning of government and improving the quality and efficiency of public services; 2. The growth and competitiveness of companies, in particular SMEs, by accelerating the diffusion of innovations and renewing markets; 3. Realizing innovations for specific challenges in domains of social importance; <p>In Flanders, there are also some examples of action plans for innovation procurement at local level, like the Municipality of Ghent, which has a sustainable procurement strategy that includes its own innovation procurement strategy since 2014.⁸⁴</p> <p>The Walloon region is preparing an action plan for innovation procurement, as was announced in the Walloon charter for responsible public purchases.⁸⁵</p> <p>The Brussels-Capital Region does not have an action plan for innovation procurement yet, even if it specifically makes reference to procurement in its regional action plan for innovation 2021-2027.⁸⁶</p> <p>As there is still no national action plan but only an action plan in the region of Flanders, the score for this indicator remains 44%, same as in the previous benchmarking study. Even though the score is above the European average (6%), there is room for future improvement as the score is still significantly below the top performing country, Finland, which scores 69% on this indicator.</p>

Source: Author's elaboration

Overall, the action plans of the three countries include most of the elements analysed in this benchmarking. The paragraphs below provide the most relevant evidence collected under this indicator.

- The Austrian and Finnish action plans have clearly defined the **coverage** and specified **concrete actions**. Actions are usually defined as a result of the definition of operative goals. For example, in Finland, the Action Plan for Increasing the use of Innovative Public Procurement, Developing Services and Promoting Sustainable Growth⁸⁷, promotes innovation procurement as a means to drive the achievement of societal development objectives, including social, climate and sustainability targets, and support public sector renewal. The Action Plan commits to specific measures and divides them into two main categories, whilst each measure is supplemented by specific activities whose implementation is entrusted to responsible actors in public procurement, which include competence centre KEINO, relevant ministries in the central government and other specific actors.
- All 3 countries have allocated **material resources** to support the implementation of the action plan (AT, BE, FI). However, none of the three action plans elaborates on the budget that will be allocated for this. It is therefore not clear whether the action plans will enable mainstreaming innovation procurement on a large scale.

⁸³ <https://beslissingenvlaamseregering.vlaanderen.be/document-view/656DF21AE2E2C9E5814BE432>

⁸⁴ <https://procuraplus.org/public-authorities/ghent/>

⁸⁵ <https://developpementdurable.wallonie.be/sites/default/files/resources/Charte%20APR%20pour%20les%20UAP.docx>

⁸⁶ https://innoviris.brussels/sites/default/files/documents/innoviris_gewestelijk_innovatieplan_gip_digital_nl.pdf

⁸⁷ https://tem.fi/documents/1410877/36553790/MEE_Action_Plan.pdf/eea428b3-a5c6-2207-5775-f595f0d5a404/MEE_Action_Plan.pdf?t=1600240171125

- In addition, Belgium and Finland defined a **specific timeline** for the implementation of the activities. Also, Austria had defined a clear timeline to in the time period 2012-2013. However, the timeline in the action plan is not up to date anymore (there are no actions defined with target completion date beyond 2013).
- **Commitment of key procurers** was identified in all three countries.
- In terms of governance, in AT, BE and FI, the action plan includes a **definition of both actors and decision-making structures**.

4.6. Indicator 6 – Spending target

As explained in Chapter 2 that explains the methodology of the policy framework benchmarking, to achieve an equally innovation friendly public sector as in other regions of the world, there should be 3% of R&D procurements and 17% of PPIs in Europe (as a percentage of total amount of public procurement). This indicator reflects the progress on target setting for innovation procurement across Europe.

The table below provides the overall scores of the Indicator "Spending target" for each country that has fixed a spending target for innovation procurement. The score has been calculated taking into account information collected on the following 5 sub-indicators: presence (is there a spending target in the country), coverage (is the target applicable to all procurers in the whole country), for all types of innovation procurement (as opposed to only for certain types of innovation procurement), separate target (is there a separate target for R&D procurement as well or only for the whole innovation procurement), commitment of procurers (are there official commitments from all procurers covered by the target or only some of them contribute to reach this target).

Table 31. Indicator 5: comparison of total scores in the previous (2020) and current (2024) benchmarking

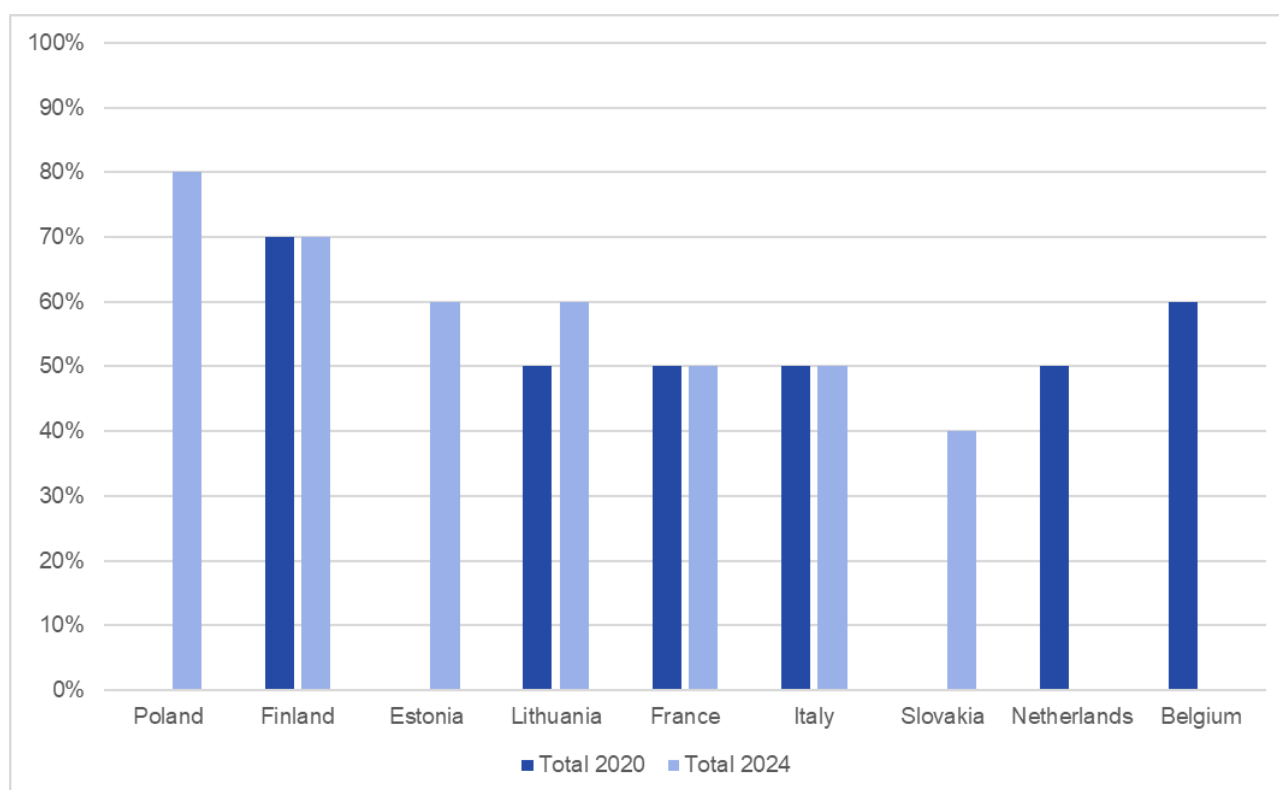
Country (2024)	Presence	Coverage	For all types of innovation p.	Separated target	Commitment of procurers	Total (2024)	Total (2020)
Estonia	20%	20%	20%	0%	0%	60%	0%
Finland	20%	10%	20%	0%	20%	70%	70%
France	20%	10%	20%	0%	0%	50%	50%
Italy	20%	10%	20%	0%	0%	50%	50%
Lithuania	20%	20%	20%	0%	0%	60%	50%
Poland	20%	20%	20%	20%	0%	80%	0%
Slovakia	20%	20%	0%	0%	0%	40%	0%
All other 23 countries	0%	0%	0%	0%	0%	0%	0%
European average	4.7%	3.7%	4.0%	0.7%	0.7%	13.7%	11.0%

Source: Author's elaboration

7 countries have a spending target for innovation procurement and **23 countries do not have a spending target**, although some of them are discussing to set a target in the future. As a result, the European average for this indicator is 14%. This is still quite low compared to the other indicators that show that many more countries have policies that aim to encourage innovation procurement, but those **policies have not been translated yet into a concrete ambition level of how much innovation procurement the country wants to reach by a specific date in the future**.

Figure 15. below show the country ranking in the previous (2020) and current (2024) benchmarking.

Figure 15. Indicator 6: comparison of the total scores in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

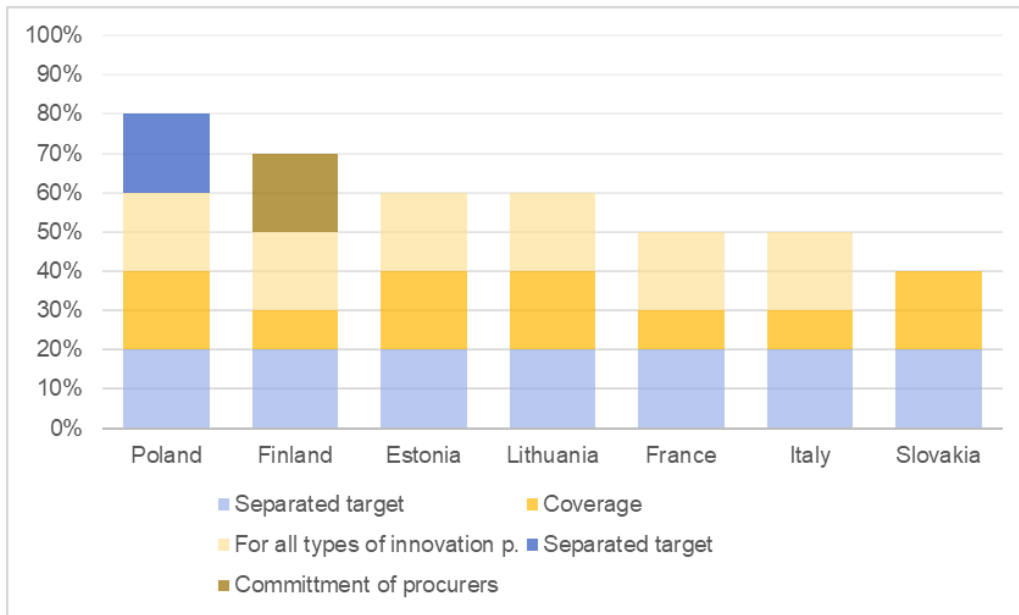
The best performing countries are Poland (80%), Finland (70%), Estonia (60%) and Lithuania (60%), followed by France (50%), Italy (50%) and Slovakia (40%). Compared to the previous benchmarking, the European average for this indicator increased from 11% to 14% (13.7%). This improvement is mainly attributed to Estonia, Poland and Slovakia, who introduced a spending target since the previous benchmarking. Their scores, therefore, increase significantly, as they scored 0% in the previous benchmarking when they did not have a spending target yet.

Compared to the previous benchmarking, the ambition level of the targets has also increased. It is the first time that we see 2 countries that have set their spending targets to levels that are competitive with other parts of the world, i.e. targets that aim to dedicate 20% of total public procurement to innovation procurement (PL and LT) and 3% to R&D procurement (PL).

Unfortunately, at the same time, **the scores of Belgium and the Netherlands dropped to 0%**, because as opposed to the previous benchmarking, they have no spending targets for innovation procurement anymore. In Belgium, the latest version of the Flemish Programme for Innovation Procurement (PIO) does not mention the 3% spending target for innovation procurement anymore, which was still there in the previous editions of the PIO programme. Furthermore, there is also no national spending target in Belgium. In 2011, the Dutch government set a target to spend 2.5% of its government wide purchases on innovation procurement. Meanwhile, European wide benchmarking has shown that a 2.5% target is too low. However, there has been no update on the Dutch national target for innovation procurement.

Figure 16. below shows the breakdown of the scores per sub-indicator, which enables understanding why certain countries score higher as they have set a more solid spending target.

Figure 16. Indicator "Spending target" – breakdown of the scores across sub-indicators



Source: Author's elaboration

Besides Slovakia, all other countries fixed a specific spending target for innovation procurement that covers both PPI and R&D procurement. However, the targets in Finland, France and Italy are not applicable to all types of public procurers. In Finland and France, the target only covers central government ministries, institutions and agencies. In Italy, only one region (Lombardy region) has a target and there is no target at national level.

The table below provides an overview of the key characteristics of the targets in the seven countries. All targets are non-binding targets. Finland is the only country with a target that has an action plan that ensures that the necessary actions are taken to reach the target. The other 6 countries with a target have not yet created an action plan that underpins the implementation of their spending target.

Table 32. Features of spending targets

Country	Target	Countrywide applicable	Applicable to all types of innovation procurement	Commitment from key procurers	Separate target
Poland	3% of total procurement spending in the country to R&D procurements and 20% to innovation procurement	Yes	Yes	No	Yes
Finland	10% of all public procurements in the country to innovation procurement	No, only for national level procurers	Yes	Yes (all central Government ministries, institutions and agencies across all policy sectors)	No
Estonia	By 2025, 2% of the volume and 5% of the expenditure of all public procurements in the country to innovation procurement. By 2035, the target for innovation	Yes	Yes	No	No

	procurement increases to 5% of the volume and 10% of the expenditure of total public procurement.				
Lithuania	20% of total public procurement spending in the country to innovation procurement by 2030	Yes	Yes	No	No
France	doubling State orders for innovative SMEs from 2.4% to 4% or public procurement by 2027	No, only to purchases performed by Directorate of Public Procurement for State/central government authorities	Yes	No	No
Italy	3% of the total Lombardy region public procurement spending to innovation procurement	No, only for the Lombardy Region	Yes	No	No
Slovakia	7% of the total budget for public procurement in the country to PPI. No overall target for innovation procurement or R&D procurement.	Yes	No	No	No

Source: Author's elaboration

The most ambitious targets have been fixed in **Poland**. Poland's 2022-2025 State Purchasing Policy⁸⁸ recommends all Polish public buyers to allocate 3% of their procurement budget to R&D procurements (including PCP) and 20% to public procurement of innovation (the Polish name, which covers all types of innovation procurement). These spending targets are applicable in the whole country and for all procurers. **Poland is the only country that has set also a separate target for R&D procurement specifically. This makes Poland the only country that has set targets for both R&D procurement and total innovation procurement spending that are competitive with the US and Asia.** However, the Polish targets are not backed by operational commitments from key procurers to invest in innovation procurements **(there is no action plan that backs up the target with concrete actions, timeline and commitments from procurers to invest in innovation procurement).**

In 2019, the Finnish Government set out in its 2019 Programme (Inclusive and Competent Finland) to make **Finland** a front runner in technological advances, innovative procurement and the culture of experimentation, and has accordingly set the goal to ensure that by the end of the parliamentary term, 10% of all public procurements in the country would be innovative public procurement. In June 2023, the new Government did not define in its Programme (A Strong and Committed Finland), a new spending target but also did not abandon the one from the previous government, and thus Finland currently continues with the 10% target set by the previous Government. The 2020 Action Plan for Increasing the Use of Innovative Public Procurement and the 2020 National Roadmap for Research, Development and Innovation have set in motion specific actors to implement concrete actions with clear objectives to be pursued to ensure reaching the 10% target for innovation procurement. **The action plan makes Finland the only country that has commitment from procurers to reach its spending target.** This target is applicable to the whole country, and all central Government ministries, institutions and agencies across all policy sectors are committed to implement relevant activities to actively contribute to reaching the set target. However, Finland does not have separate targets for innovation procurement, PPI, PCP and R&D procurement. The discussion to increase the target again is ongoing in Finland, as innovation procurement spending in Finland has in reality already surpassed 10% and is close to 15% now.

⁸⁸ https://www.uzp.gov.pl/_data/assets/pdf_file/0012/55110/State_Purchasing_Policy_ENG.pdf

In **Estonia**, the Government Action Plan 2023–2027⁸⁹ states that a target for the public procurement for innovation should be 2% out of volume, and 5% of the total budget of public procurement in the country by 2025. It also sets out that the target for innovation procurement for 2035 increases to 5% of the volume and 10% of the total budget of public procurement in the country. The action plan is applicable in the whole country, and it is meant to be applicable for all types of innovation procurement. Nevertheless, in the program, there is no separate target for R&D procurement or for public procurement of innovative solutions (PPI) respectively, and the target implementation details are still work in progress. More detailed activities and commitments from procurers to mobilise the targeted budget for innovation procurement are yet to be developed and agreed upon. The target is not yet backed by operational commitments from key procurers to invest in innovation procurements **(there is no action plan that backs up the target with concrete actions, timeline and commitments from procurers to invest in innovation procurement)**.

In **Lithuania**, there is a target set for the total amount of spending on innovation procurement. According to the 2021-2030 National Progress Programme⁹⁰, total spending on innovation procurement in the country should reach 20% of total public procurement spending in the country by 2030. **This makes Lithuania the first country in Europe that set an overall spending target for innovation procurement that is competitive with the US and Asia.** The programme clarifies that this target is for the combined spending on all types of innovation procurement, meaning the spending on both R&D procurement (including PCP) and public procurement of innovative solutions together. There is thus a presence of a target, it is applicable countrywide, and it is applicable to all types of innovation procurement. However, the overall target is not broken down into separate targets for R&D procurement and for PPI procurement and there is no official commitment of all public procurers that are covered by the target **(there is no action plan that backs up the target with concrete actions, timeline and commitments from procurers to invest in innovation procurement)**.

In **France**, in August 2023, the I choose French Tech program announced that “the State Purchasing Department (DAE) is committed to doubling State orders for innovative SMEs from 2.4% to 4% by 2027”⁹¹. However, the spending target is not applicable to all procurers in the country (only to purchases performed by DAE for State/central government authorities), there is no overall spending target for innovation procurement of companies of all sizes, there is no separate target for R&D procurement and PPI, and the target is not backed by operational commitments from key procurers **(there is no action plan that backs up the target with concrete actions, timeline and commitments from procurers to invest in innovation procurement)**.

In **Italy**, there is a regional target in Lombardy Region’s Research and Innovation Law⁹², which specifies that at least 3% of the resources annually spent for the purchase of goods and services from the region’s public bodies should be allocated on innovation public procurement, including the purchase of innovative solutions and green solutions emerged from research and development (through pre-commercial procurement). The target covers all types of innovation procurement but is not broken down into a separate target for R&D procurement and PPI procurements. The target is not backed by operational commitments from key procurers **(there is no action plan that backs up the target with concrete actions, timeline and commitments from procurers to invest in innovation procurement)**. The target is not applicable country wide but only in one region. Italy is preparing to set a future target for the whole country.

In **Slovakia**, the National Strategy for Research, Development and Innovation 2030⁹³ commits that 7% of the total budget for public procurement will be used for the purchase of innovative solutions. This goal is set to be achieved by 2030 and is applicable to the whole country, but only for PPI. The strategy also has the ambition to increase public investments in research and development from the state budget so that it reaches the level of 0.67% of GDP in 2030. However, although there is an increase in R&D budget foreseen, there is no target set for R&D procurement. Therefore, the target does not include all forms on innovation procurement (only PPI) and there is no commitment from key procurers yet to support reaching the 7% target for PPI procurement. **Slovakia is thus a special case, as it is the only country that has set a spending target for public procurement of innovative solutions (PPI), but no overall target for innovation procurement or for R&D procurement.** The target is not backed by operational commitments from key procurers **(there is no action plan that backs up the target with concrete actions, timeline and commitments from procurers to invest in innovation procurement)**.

⁸⁹ https://www.documentcloud.org/documents/23815825-vvtp-2023-2027-puhtand_1805pdf

⁹⁰ <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/c1259440f7dd11eab72ddb4a109da1b5?fwid=32wf90sn>

⁹¹ <https://www.economie.gouv.fr/je-choisis-la-french-tech-plan-doubler-recours-startups>

⁹² The target is in regional law n.29/2016 on R&I: <https://www.openinnovation.regione.lombardia.it/it/contesto-strategico/la-legge>

⁹³ https://vaia.gov.sk/wp-content/uploads/2023/05/01_Narodna-strategia-vyskumu-vyvoja-a-inovaciei_vlastny-material_V2.pdf

4.7. Indicator 7 – Monitoring System

This indicator reflects the progress of different countries on setting up a monitoring system to measure innovation procurement expenditure in the country and to evaluate the impacts of completed innovation procurements.

The following tables provide an overview of the scores for the different expenditure measurement systems (first sub-indicator) and impact evaluation systems (second sub-indicator) that are in place in different countries, and it shows also the comparison of the total scores for the indicator in the previous (2020) and current (2024) benchmarking for all countries.

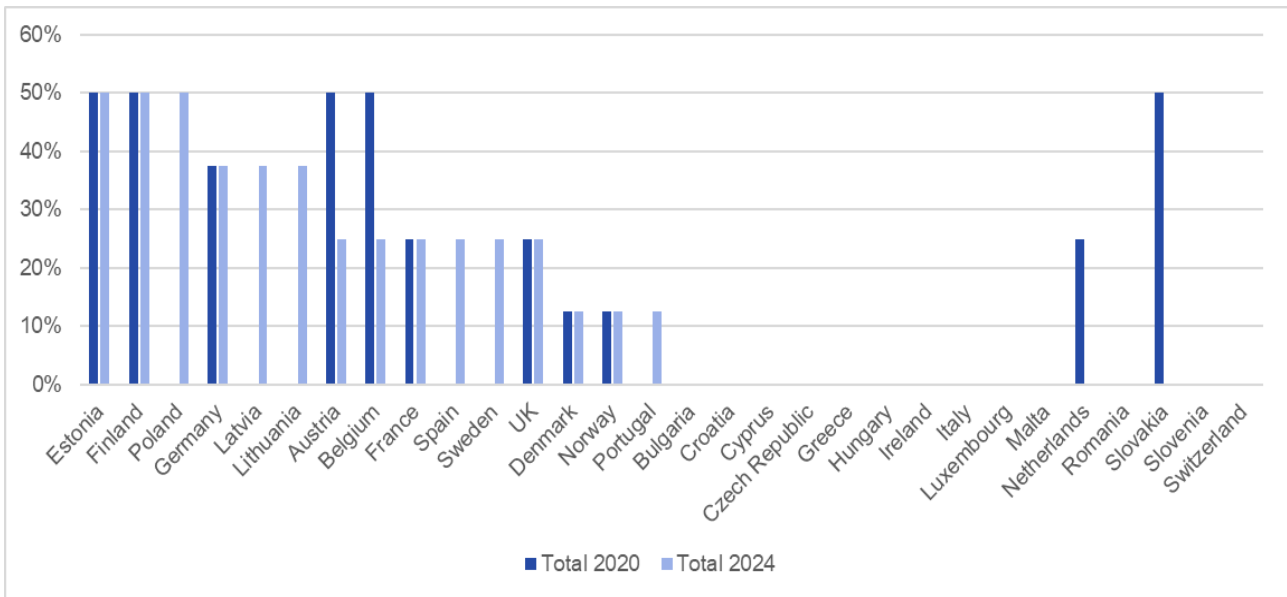
Table 33. Indicator 7: comparison of total scores in the previous (2020) and current (2024) benchmarking

Country	Expenditure measurement system	Impact evaluation system	Total – Monitoring system (2024)	Total – Monitoring system (2020)
Austria	0%	50%	25%	50%
Belgium	50%	0%	25%	50%
Bulgaria	0%	0%	0%	0%
Croatia	0%	0%	0%	0%
Cyprus	0%	0%	0%	0%
Czech Republic	0%	0%	0%	0%
Denmark	25%	0%	13%	13%
Estonia	100%	0%	50%	50%
Finland	50%	50%	50%	50%
France	50%	0%	25%	25%
Germany	75%	0%	38%	38%
Greece	0%	0%	0%	0%
Hungary	0%	0%	0%	0%
Ireland	0%	0%	0%	0%
Italy	0%	0%	0%	0%
Latvia	75%	0%	38%	0%
Lithuania	75%	0%	38%	0%
Luxembourg	0%	0%	0%	0%
Malta	0%	0%	0%	0%
Netherlands	0%	0%	0%	25%
Norway	25%	0%	13%	13%
Poland	100%	0%	50%	0%
Portugal	25%	0%	13%	0%
Romania	0%	0%	0%	0%
Slovakia	0%	0%	0%	50%
Slovenia	0%	0%	0%	0%
Spain	50%	0%	25%	0%
Sweden	50%	0%	25%	0%
Switzerland	0%	0%	0%	0%
UK	25%	25%	25%	25%
EU average	26%	4%	15%	13%

Source: Author's elaboration

The overall ranking of the countries for the Indicator 7 “Monitoring system” is illustrated in the figure below.

Figure 17. Indicator "Monitoring system"– comparison of country ranking in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

Compared to the previous benchmarking, **the European average has slightly increased from 13% to 15%, due to more countries implementing a measurement and/or impact evaluation system.** However, so far, no country has implemented both a comprehensive measurement system and a comprehensive impact evaluation system, meaning that no country achieves the maximum 100% score on the indicator.

Only Estonia and Poland have a comprehensive system to measure the whole country's expenditure on innovation procurement. In the other 10 countries, expenditure measurement is often still carried out in a non-systematic way.

Not a single country has a comprehensive system yet to measure the impacts of all completed innovation procurements in the country: only 3 countries (Finland, Austria and the UK) have started impact evaluation activities but they do not apply to all types of innovation procurement across the country. Impact evaluation systems are still widely missing.

As different countries want to know how they perform compared to others, several countries are in fact waiting for an EU wide monitoring system to be setup before investing substantially in national monitoring.

15 countries (AT, BE, DE, DK, EE, ES, FI, FR, LT, LV, NO, PL, PT, SE, UK) have developed an approach for either measuring the amount of public procurement expenditure spent on innovation procurement or for evaluating the impacts of implemented innovation procurements, which is three countries more than in the previous benchmarking. This is a slight improvement in comparison to the previous benchmarking (13%), when 18 countries had not set up any form of a monitoring system for innovation procurement. Out of the 15 countries awarded scores for this indicator, 12 countries only have a measurement system in place; two countries have both a measurement and impact evaluation system in place (Finland and the UK), whilst one country (Austria) only has an impact evaluation system in place.

As a result, for the Indicator "Monitoring system", **the best performing countries are Estonia, Finland and Poland**, as opposed to the previous benchmarking, when the highest ranking countries were Austria, Belgium, Estonia, Finland and Slovakia. The scores of 4 countries on this indicator dropped (AT, BE, SK and NL), as they previously did some effort to measure innovation procurement expenditure once but did not continue/repeat this effort. The **worst performing countries** are the 15 countries which have no expenditure measurement or evaluation system in place (BG, HR, CY, CZ, EL, HU, IE, IT, LU, MT, NL, RO, SK, SI, CH).

As mentioned, the European average for the Indicator "Monitoring system" (15%) results from the averages for the sub-indicators "expenditure measurement system" (26%) and "impact evaluation system" (4%). The next paragraphs provide an analysis of the different systems put in place at national level for the two sub-indicators.

4.7.1. Expenditure measurement system

Table 34. Sub-indicator “Expenditure Measurement system”: comparison of scores in the previous (2020) and current (2024) benchmarking

Country	Presence	For all types of innovation proc.	Widely across the whole country	Structured approach	Total (2024) Expenditure Measurement system	Total (2020) Expenditure Measurement system
Austria	0%	0%	0%	0%	0%	100%
Belgium	25%	25%	0%	0%	50%	100%
Bulgaria	0%	0%	0%	0%	0%	0%
Croatia	0%	0%	0%	0%	0%	0%
Cyprus	0%	0%	0%	0%	0%	0%
Czech Republic	0%	0%	0%	0%	0%	0%
Denmark	25%	0%	0%	0%	25%	25%
Estonia	25%	25%	25%	25%	100%	100%
Finland	25%	0%	25%	0%	50%	50%
France	25%	0%	25%	0%	50%	50%
Germany	25%	0%	25%	25%	75%	75%
Greece	0%	0%	0%	0%	0%	0%
Hungary	0%	0%	0%	0%	0%	0%
Ireland	0%	0%	0%	0%	0%	0%
Italy	0%	0%	0%	0%	0%	0%
Latvia	25%	25%	25%	0%	75%	0%
Lithuania	25%	0%	25%	25%	75%	0%
Luxembourg	0%	0%	0%	0%	0%	0%
Malta	0%	0%	0%	0%	0%	0%
Netherlands	0%	0%	0%	0%	0%	50%
Norway	25%	0%	0%	0%	25%	25%
Poland	25%	25%	25%	25%	100%	0%
Portugal	25%	0%	0%	0%	25%	0%
Romania	0%	0%	0%	0%	0%	0%
Slovakia	0%	0%	0%	0%	0%	100%
Slovenia	0%	0%	0%	0%	0%	0%
Spain	25%	0%	0%	25%	50%	0%
Sweden	25%	0%	25%	0%	50%	0%
Switzerland	0%	0%	0%	0%	0%	0%
UK	25%	0%	0%	0%	25%	25%
EU average					26%	23%

Source: Author's elaboration

Among the countries with existing measurement systems, **only 2 countries (Estonia and Poland) have developed a structured measurement system that is applied to all types of innovation procurement across the whole country**, resulting in a score of 100% for this sub-indicator:

- **Estonia** has developed a real-time approach for measuring the amount of total public procurement expenditure that is spent on innovation procurement. Since September 2017, Estonia has been using a questionnaire as

means of collecting information from public procurers on whether they are purchasing innovation or not, whenever they submit a Contract Notice for publication in the Public Procurement Register. The difference compared to the measurement system used in 2015 is that this is a real-time assessment, not ex-post, which enables to “flag” on the e-Procurement system those call for tenders in which public buyers are explicitly looking for innovative solutions.

- In **Poland**, in the Annual Report on Awarded Contracts, public procurers are required, among others, to report: whether innovative aspects (referred to in Article 242 Par 2 of the Public Procurement Law) were specified in the tender evaluation criteria, the contract notice or contract documents, and specify the requirements related to the performance of the contract including innovative aspects (referred to in Article 96(1) of the PPL). Also, the number and value of Pre-Commercial Procurements are reported in annual reports. Such reports are submitted via the section dedicated to the annual reports of contracting authorities on the national e-Procurement platform run by the Public Procurement Office. All types of public procurers are required to submit these annual reports and all public procurements must be reported, including classic sector contracts whose value is less than PLN 130 000, as well as utility sector contracts and contracts in the area of defence and security whose value is less than the EU thresholds. For the contracts below PLN 130 000, only a report in a form of a summary is needed, which includes information on how many contracts and of what total value in the division of supply, services and works. Cumulative figures on the reported aspects are published in the Report of the President of the Public Procurement Office on the Functioning of the Public Procurement System in Poland.

3 countries (Germany, Latvia and Lithuania) also score high on the sub-indicator (75%) but have not reached a fully comprehensive system yet. Their measurement systems lack a structured approach to measuring innovation procurement (Latvia) or are not available for all types of innovation procurement (Germany and Lithuania).

5 countries (BE, FI, FR, ES, SE) score 50%, as their measurement systems lack a structured approach and in addition, they are either not applied across the whole country and/or not applicable to all types of innovation procurement: Flanders has set up a measurement system but it is not used across the whole of Belgium. Sweden developed measures for innovation-friendly procurement instead of innovation procurement. In Finland, the measurement system is based on a survey that analysed only a sample of procurements. France only tracks information on the amount of central government contracts awarded to SMEs, and in Spain, only Catalonia region has a measurement system in place.

The remaining 4 countries (DK, NO, PT, UK) score 25%, as they are still in the early phases of setting up an expenditure measurement system – they have not developed a structured measurement system yet, it is not applicable to all types of innovation procurement and not yet across the whole country either.

In the remaining 16 countries, there is no expenditure system for innovation procurement yet.

4.7.2. Impact evaluation system

Table 35. Sub-indicator “Impact evaluation system”: comparison of scores in the previous (2020) and current (2024) benchmarking

Country	Presence	For all types of innovation procurement	Widely across the whole country	Structured approach	Total (2024) Impact Evaluation system	Total (2020) Impact Evaluation system
Austria	25%	25%	0%	0%	50%	0%
Belgium	0%	0%	0%	0%	0%	0%
Bulgaria	0%	0%	0%	0%	0%	0%
Croatia	0%	0%	0%	0%	0%	0%
Cyprus	0%	0%	0%	0%	0%	0%
Czech Republic	0%	0%	0%	0%	0%	0%
Denmark	0%	0%	0%	0%	0%	0%
Estonia	0%	0%	0%	0%	0%	0%

Finland	25%	0%	25%	0%	50%	50%
France	0%	0%	0%	0%	0%	0%
Germany	0%	0%	0%	0%	0%	0%
Greece	0%	0%	0%	0%	0%	0%
Hungary	0%	0%	0%	0%	0%	0%
Ireland	0%	0%	0%	0%	0%	0%
Italy	0%	0%	0%	0%	0%	0%
Latvia	0%	0%	0%	0%	0%	0%
Lithuania	0%	0%	0%	0%	0%	0%
Luxembourg	0%	0%	0%	0%	0%	0%
Malta	0%	0%	0%	0%	0%	0%
Netherlands	0%	0%	0%	0%	0%	0%
Norway	0%	0%	0%	0%	0%	0%
Poland	0%	0%	0%	0%	0%	0%
Portugal	0%	0%	0%	0%	0%	0%
Romania	0%	0%	0%	0%	0%	0%
Slovakia	0%	0%	0%	0%	0%	0%
Slovenia	0%	0%	0%	0%	0%	0%
Spain	0%	0%	0%	0%	0%	0%
Sweden	0%	0%	0%	0%	0%	0%
Switzerland	0%	0%	0%	0%	0%	0%
UK	25%	0%	0%	0%	25%	25%
EU average					4%	3%

Source: Author's elaboration

In terms of impact evaluation systems, not a single country has a comprehensive system yet. Only 3 countries (AT, FI, UK) have carried out activities on pilot projects or through single policy initiatives to evaluate the impacts of the implemented innovation procurements:

- In **Austria**, regular evaluation of innovation procurements is performed using different methodological approaches. Examples of such evaluations can be found in the Analysis of Good Practices and Case studies, which is part of the PPPI Report 2017; an Impact Analysis (2019); One - Pagers describing impacts of completed projects (2019); evaluation of PPPI Challenges (as part of the Evaluation of the PPPI cooperation, 2022); evaluations of the IÖB -Toolbox- Programme (2021, 2023). The impact evaluation system covers all types of innovation procurement; however, it focuses on those innovation procurements that were supported by the PPPI competence centre and is therefore not a structured approach for evaluating the impacts of all innovation procurements in the country.
- **Finland** does not have a structured system to evaluate the impacts of completed innovation procurement. However, a set of so-called impact questions was added into the contract notice template published in the official site on public procurement notices (www.hankintailmoitukset.fi/en). The questions help to assess better the impact a procurement has on innovation, sustainability, as well as a code of conduct and attention to SMEs in the procurement. Most of the questions are obligatory to fill in when a contract notice is prepared for publication, thus generating constantly important data on innovation and sustainability in procurement. In September 2023, Hilma, the official service for notices on public procurement in Finland, has introduced new eForms notifications for purchases exceeding EU thresholds, which is also increasing information related to innovation procurement.
- In the **UK**, regular impact evaluation assessments are carried out only for the PCP procurements implemented within the SBRI Programme. In 2022, an independent evaluation of the SBRI programme, conducted by Steer Economic Development on behalf of InnovateUK, was published, including an evaluation of the impact of the

programme to-date, using econometric methods⁹⁴. This built on previous analysis published in 2017 and 2015⁹⁵. However, the evaluation activities are carried out in a non-structured way and only for a subset of innovation procurements (i.e. only for SBRI type R&D procurements) and not for all public procurers across the whole country (i.e. only those that participate in SBRI).

In the remaining 27 countries, there are no impact evaluation systems in place.

Interesting evidence collected on the implementation of impact evaluation exercise concerns the methods used. In particular, various instruments are used for such a purpose, including surveys, external independent reviews, combined interim and ex-post evaluations, or one-off project-related evaluations, among others. The main approaches to conduct impact evaluations of innovation-related procurement initiatives seem to be surveys and qualitative methods (i.e. case studies, interviews with beneficiaries). This fact represents one of **the most important limits of the existing impact evaluation exercises, i.e. the lack of quantitative data and the need for further quantitative approaches**.

4.8. Indicator 8 – Incentives

This indicator tracks the progress that different countries are making in using financial or personal incentives to encourage public buyers to undertake more innovation procurements. It is calculated as the average of two sub-indicators, namely “financial incentives” and “personal incentives”.

The first sub-indicator shows the presence of dedicated **financial incentives for public procurers** in the country (availability of these types of incentives in the country), whether the incentives are available for all types of innovation procurement (as opposed to only for certain types of innovation procurement), applicable country wide (whether they are available to all procurers/procurements in the whole country as opposed to available only for certain types of procurers), whether there are incentives for large scale implementation across the whole country (as opposed to only pilots), whether national top-up funding is provided for procurement cases that are eligible for EU co-financing (“national top-up funding available for EU co-financed procurements”), whether national financial incentives are provided for procurement cases that are not eligible for EU co-financing (“national funding available for non-EU co-financed procurements”) and whether dedicated ESIF funding has been allocated for innovation procurements. Please note that EU (co-) financing can include all types of EU (co-) financing (e.g. ESIF, Horizon 2020, EIB).

The second sub-indicator shows the availability of **personal incentives for public procurers** in the country and whether the incentives are available for all types of procurers in the country (or only for certain types of procurers).

The overall scores of the Indicator “Incentives” are provided in the table below, with the comparison of how different countries scored on this indicator in the previous benchmarking (2020), versus in the current benchmarking (2024).

Table 36. Indicator 8: comparison of total scores in the previous (2020) and current (2024) benchmarking

Country	Results from the previous benchmarking (2020)			Results from the current benchmarking (2024)		
	Financial Incentives	Personal Incentives	Total – Incentives	Financial Incentives	Personal Incentives	Total – Incentives
Austria	43%	100%	64%	29%	100%	64%
Belgium	57%	0%	29%	57%	0%	29%
Bulgaria	0%	0%	0%	0%	0%	0%
Croatia	0%	0%	29%	57%	0%	29%
Cyprus	0%	0%	0%	0%	0%	0%
Czech Republic	29%	0%	0%	0%	0%	0%
Denmark	0%	0%	21%	43%	0%	21%
Estonia	57%	0%	36%	71%	0%	36%

⁹⁴ <https://www.ukri.org/wp-content/uploads/2022/05/UKRI-130522-AnEvaluationoftheSBRIJanuary2022-WEB-FINAL.pdf>

⁹⁵ <https://www.ukri.org/wp-content/uploads/2021/12/IUK-061221-AReviewOfTheSmallBusinessResearchInitiative.pdf>

Finland	86%	50%	79%	57%	100%	79%
France	0%	0%	50%	0%	100%	50%
Germany	0%	100%	50%	0%	100%	50%
Greece	0%	0%	29%	57%	0%	29%
Hungary	0%	0%	0%	0%	0%	0%
Ireland	0%	0%	50%	0%	100%	50%
Italy	43%	50%	46%	43%	50%	46%
Latvia	0%	0%	14%	29%	0%	14%
Lithuania	43%	0%	86%	71%	100%	86%
Luxembourg	0%	0%	0%	0%	0%	0%
Malta	0%	0%	0%	0%	0%	0%
Netherlands	43%	0%	25%	0%	50%	25%
Norway	43%	0%	21%	43%	0%	21%
Poland	43%	0%	21%	43%	0%	21%
Portugal	0%	0%	0%	0%	0%	0%
Romania	71%	0%	0%	0%	0%	0%
Slovakia	0%	0%	0%	0%	0%	0%
Slovenia	43%	0%	0%	0%	0%	0%
Spain	57%	100%	79%	57%	100%	79%
Sweden	86%	0%	36%	71%	0%	36%
Switzerland	0%	0%	0%	0%	0%	0%
UK	0%	100%	50%	0%	100%	50%
EU average	25%	17%	21%	24%	30%	27%

Source: Author's elaboration

The European average score of the Indicator "Incentives" is 27%, which indicates that **incentives to mobilise public procurers to implement more innovation procurement are still largely underutilised across Europe.**

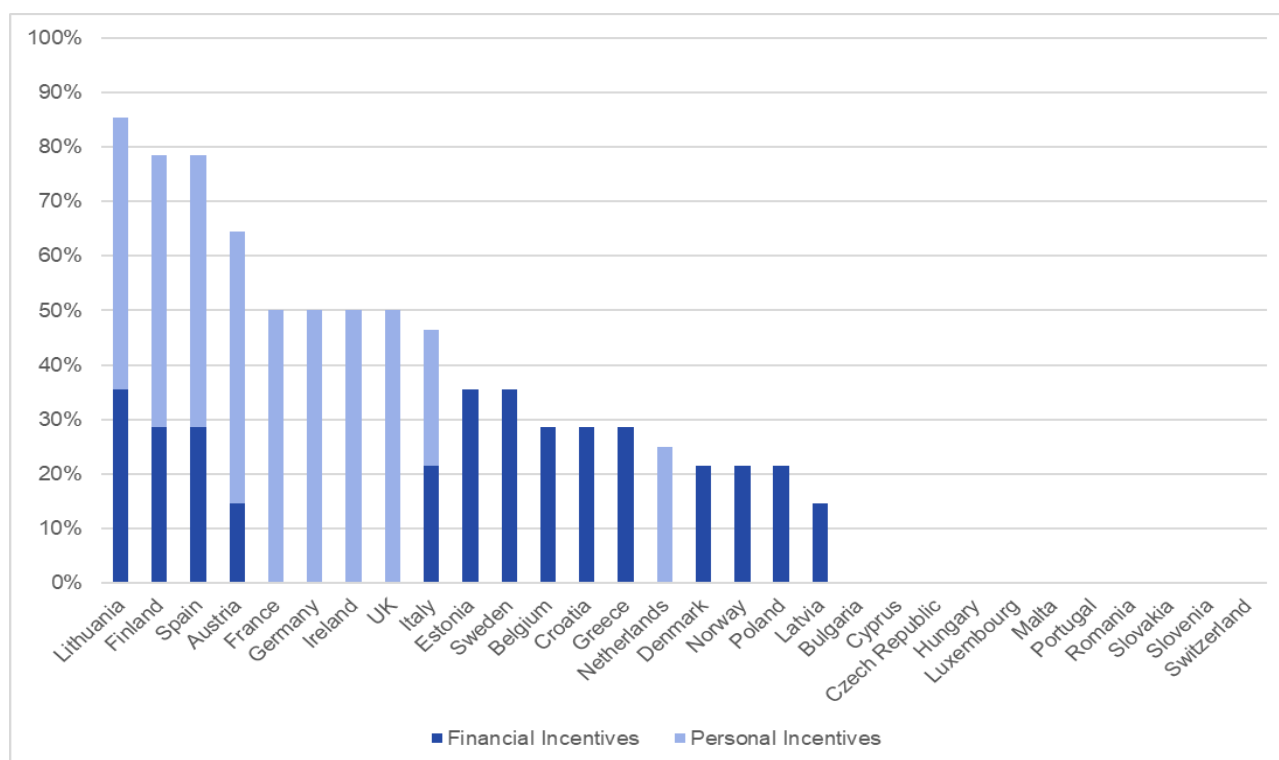
19 countries (AT, BE, HR, DK, EE, FI, FR, DE, EL, IE, IT, LV, LT, NL, NO, PL, ES, SE, UK) have established either financial or personal or combination of both types of incentives for innovation procurement. However:

- 14 countries have **financial incentives** (AT, BE, HR, DK, EE, FI, EL, IT, LV, LT, NO, PL, ES, SE) but **the topics are scattered and the budgets are not scaled up to mainstream innovation procurement widely.**
 - Incentives for R&D / PCP procurement exist in 10 countries: NO, HR, FI, EE, EL, LT, ES, SE, IT (in one region only), BE (in one region only)
 - Incentives for PPI procurement exist in 12 countries: AT, DK, HR, EE, EL, LV, LT, PL, ES, SE, IT (in one region only), BE (in one region only)
- 10 countries have **personal incentives** (AT, FI, FR, DE, IE, IT, LT, NL, ES, UK) but **most countries only use soft types of personal incentives that do not affect all procurers in the country.**
 - There is a heavy underutilisation of the most effective form of personal incentives (only used so far in FI and UK) – present when the government agrees yearly KPIs with public procurers to use innovation procurement to achieve quality and efficiency improvements in public services that align with policy priorities.
 - Career / promotion incentives are used only in IT (and not in the whole country but only in one region).
 - 6 countries only use softer mechanism of awarding innovation procurement prizes (AT, DE, FR, LT, ES) or publishing a ranking of the top innovation procurers (NL).

The remaining 11 countries (BG, CY, CH, CZ, HU, LU, MT, PT, RO, SK, SI) have not set up any form of incentives yet (financial or personal) to encourage public procurers to carry out more innovation procurements.

The country ranking for the Indicator "Incentives" is presented below.

Figure 18. Indicator "Incentives" – overall country ranking with breakdown of the scores across sub-indicators



Source: Author's elaboration

The **best performers on the Indicator "Incentives" are Lithuania (86%), Finland (79%), Spain (79%) and Austria (64%)**, which are also the only countries that have adopted both types of demand-side incentives at a country wide scale: financial incentives to reduce the financial risk for procurers of undertaking innovation procurement and personal incentives to encourage public procurers to undertake more innovation procurement.⁹⁶

The European average for the Indicator "Incentives" is 27%, which is a **small 6% increase in the use of incentives to encourage public procurers to undertake more innovation procurements** compared to 21% in the previous benchmarking. **However, the progress comes mainly from increased use of personal incentives** (the European average for this sub-indicator increased from 24% to 30%) as more countries introduced **soft personal incentives (e.g. innovation procurement awards)**. There was even a **small weakening in the use of financial incentives** (the European average for this sub-indicator decreased from 25% to 24%).

To achieve a significant increase in the use of incentives to underpin innovation procurement, governments **should increase the use of the stronger type of personal incentives** (KPI setting and career / promotion incentives for public procurers) and **national R&I programmes should allocate serious budget lines to provide financial incentives to de-risk innovation procurement for public procurers**. As R&I programmes cannot support all procurements, **the financial incentives should focus primarily on those innovation procurements that are the riskiest for public procurers, in particular those for bringing breakthrough innovations and strategic technologies to the market**. The latter can be achieved by creating open calls for public procurers to apply for co-financing for innovation procurements, defining lighthouse projects where innovation procurements should be stimulated (e.g. to find customers for strategic technologies), giving public procurers free of charge access to test innovative solutions for public procurements in advanced testing facilities in publicly funded research institutions / infrastructures, training public procurers on the benefits of advanced innovative solutions compared to widely established solutions and what is the impact of deploying them on public sector operations.

The below sections provide examples of the different type of financial and personal incentives that countries are using.

⁹⁶ Italy has also adopted both types of demand-side incentives, however they are not applicable countrywide.

4.8.1. Financial incentives

14 countries (AT, BE, HR, DK, EE, EL, ES, FI, IT, LV, LT, NO, PL, SE) have set up a financial incentive system to encourage public procurers to undertake more innovation procurement.

The **best performing countries on financial incentives** (scoring 71%) are Estonia, Lithuania and Sweden, as they have financial incentives for all types of innovation procurements and all types of procurers across the country, but they are not scaled up yet to mainstream innovation procurement widely.

- **Estonia** has set up national financial incentives under two measures – InnoFond⁹⁷ and the Public Sector Innovation Capacity Programme⁹⁸. InnoFond was developed for fostering public sector innovation coordinated by the Government Office, under the EU structural funds for the 2021–2027. Under it, support will be provided to innovation procurements in which solutions are sought to alleviate the development needs stated in Estonian long-term strategy "Estonia 2035", and which use new knowledge and technologies. The InnoFond encourages public procurers to apply for financial support for innovation procurements and supports the search for innovative solutions, development of solutions and testing in real life. The acquisition of ready-made solution or the implementation of the results of the supported innovation project are not supported. The measure is primarily looking for research-based, innovative solutions in the focus areas of the Estonian research and development, innovation, and entrepreneurship 2035 development plan. These are digital solutions in every area of life, health technologies and services, valuing local resources, and smart and sustainable energy solutions. In addition, for the 2021-2029 period, the Public Sector Innovation Capacity Programme, run by the State Office, provides financial incentives for innovation procurements that are implemented with EU financing (e.g. RRF, ESIF, Horizon Europe, EIB financing). The innovation procurements can take the form of Pre-Commercial Procurement (PCP) or Public Procurement of Innovative Solutions (PPI). The program may provide financial support to procurers in several ways – offering grants or subsidies to cover a portion of the costs associated with the procurement and development of innovative solutions and in the form of sharing the risks associated with innovation procurement, thereby encouraging public entities to engage in such practices.
- In **Lithuania**, the Government is offering financial incentives to public procurers to undertake innovation procurements that are not (co)financed by the EU. In 2021, the "Govtech lab" Lithuania⁹⁹, a unit within the Science and Technology Agency (MITA), launched an initiative to develop prototypes, which could help to solve particular challenges. Through the initiative, public authorities have been able to apply for funding from MITA to implement a design contest procurement procedure¹⁰⁰. A design contest is a public procurement procedure that enables innovative companies in a first step to submit a proposed design/prototype to solve a public sector challenge within a given timeframe. In a second step of the design contest, public procurers may award a prize (with payments) for the best companies' designs and sign a procurement contract with the winner of the challenge to procure the solution through a follow-up negotiated procedure without additional procurements. The Govtech initiative has enabled several public authorities to procure pilot GovTech solutions, i.e. digital and new technologies designed for public sector use. The programme's full budget was almost €4.5m, that was financed from non EU-co financed budget. Lithuania also provides financial incentives to public procurers to undertake innovation procurements that are (co)financed by the EU. From the Recovery and Resilience Facility, 5 million EUR is allocated to provide financial support to public buyers (to pay up to 50,000 EUR of innovation procurement costs) and to carry out 100 innovation procurements by 2026. From the 2021-2027 European Structural and Investment Funds, 400,000 EUR are allocated for strengthening the abilities of procurement organizations to initiate and carry out pre-commercial procurements, create incentives for businesses to participate in PCPs in the Capital Region and 600,000 EUR are allocated for the region of central and western Lithuania.
- In **Sweden**, Vinnova supports innovation procurements by offering innovation procurement checks¹⁰¹ with budget for 2023 of 4.000.000 SEK. Innovation procurement checks help public organizations to make substantiated and strategic decisions by taking advantage of external expertise when their own resources or knowledge are not sufficient. The call is aimed at contracting authorities, i.e. organizations subject to

⁹⁷ <https://www.riigikantselei.ee/avaliku-sektori-innovatsioon>

⁹⁸ <https://adr.rik.ee/mkm/dokument/13788865>

⁹⁹ <https://www.startuplithuania.com/publicfund/govtech-challenge-series/>

¹⁰⁰ <https://govtechlab.lt/wp-content/uploads/2022/01/GovTech-Lab-apzvalga-2021-EN.pdf>

¹⁰¹ <https://www.vinnova.se/en/calls-for-proposals/learning-and-meeting-places/checks-for-innovation-procurement-2023-2023-00423/>

procurement legislation. There is also the possibility for public buyers of getting funding from authorities such as Vinnova, the Swedish Energy Agency, Formas (government research council for sustainable development) through for example their strategic innovation programmes and from the Swedish Environmental Protection Agency. There are 17 strategic innovation programs¹⁰² that receive support in a joint venture by Vinnova, the Swedish Energy Agency and Formas. Within the programs, companies, academia and organizations together develop the sustainable products and services of the future. Anyone who wants to contribute to the development is welcome to apply for funding. 17 strategic innovation programs are: Bioinnovation, Drive Sweden, Infra Sweden, Innovair, Internet of Things, Medtech4Health, Metalliska material, PiiA:Processindustriell automation, Production 2030, RE:Source, SIO Grafen, SIP LIGHTer, Smart Built Environment, Smartare elektroniksystem, Swedish Mining Innovation, SWElife and Viable Cities. These types of organisations publish, from time to time, calls for innovation projects that are open to the public sector where it is possible for public buyers to receive a grant for an innovation procurement even if procurement is not clearly stated in the call text. It is not possible to receive financial incentive if procurers are using EU (co)financing.

A second group of countries (BE, HR, FI, EL, ES) have set up financial incentive schemes that score 57%, as their financial incentives are either not available to all types of procurements or not to all procurers in the country and not scaled up to mainstream innovation procurement widely.

- In **Belgium**, at national level there are no incentives to encourage public procurers to start more innovation procurements, while there are some at regional level. In particular, the Flemish PIO programme offers co-financing to any type of public procurer in Flanders for PCPs and other types of innovation procurements. However, the budget of the programme is not large enough to mainstream innovation procurement widely. The PIO co-financing is available both for projects that are not eligible for EU funding and for projects that are eligible for EU funding (procurers that already receive EU funds for their innovation procurement are still eligible for Flemish funding, i.e. the PIO funding can top up the EU funding). Belgium and Flanders have not pre-allocated dedicated ESIF budgets for innovation procurements but if a city/region decides to implement an innovation procurement via its ESIF budget, the Flemish funding can in principle top-up this ESIF funding.
- In **Croatia**, there are ESIF funded financial incentives to encourage public procurers to undertake more innovation procurements. Croatia's Smart Specialisation Strategy 2029 allocates for the first time ESIF funding for innovation procurements under the following Thematic Priority Areas: 5.1 'TPA: Personalised healthcare', 5.2 'TPA: Smart and Clean Energy', 5.3 'TPA Smart and Green Mobility', 5.4 'TPA Security and dual use' and 5.7 'TPA Digital products and platforms'. However, there are only financial incentives that are co-financed from EU funding (no national funding for innovation procurement). The ESIF funding is available country wide and for all types of innovation procurement (PCP and PPI), but it is not scaled up for mainstreaming of innovation procurement across all sectors.
- In **Finland**, the Finnish Funding Agency for Innovation – Business Finland provides the source of funding to incentivise public procurers to implement innovation procurement in the country¹⁰³ and it monitors the impact of its funding every year. Grants allocated to public buyers for innovation procurement projects cover 50% of the project costs. Funds which are at disposal to Business Finland originate from both state and EU budget (in particular the Recovery and Resilience Facility has financed innovation procurements for example in the field of low carbon built environment¹⁰⁴) but they do not provide top-up funding on top of EU funding and do not mobilise ESIF funding for innovation procurement. These financial incentives are available for all procurers in the country but not for all types of innovation procurement (minimum 80% of the budget needs to be spent on R&D, therefore procurements that only deploy innovative solutions that were developed already beforehand in another project are not eligible).
- In **Greece**, there are financial incentives to encourage public procurers to undertake more innovation procurements. These incentives are funded from the European ESIF funds and available for any type of innovation procurement. For example, there are already Greek European Digital Innovation Hubs that are preparing ESIF co-financed innovation procurements¹⁰⁵. However, the amount of financial support that is

¹⁰² <https://www.vinnova.se/m/strategiska-innovationsprogram/>

¹⁰³ <https://www.businessfinland.fi/en/for-finnish-customers/services/funding/research-and-development/innovative-public-procurement>

¹⁰⁴ <https://www.businessfinland.fi/en/whats-new/calls/2021/low-carbon-built-environment-innovation-funding-call>

¹⁰⁵ <https://eafip.eu/events/webinars/webinar-innovation-procurement-for-european-digital-innovation-hubs/>

mobilised is still relatively small and not yet mobilising innovation procurement widely. There are no national non-EU funded financial incentives to encourage public procurers to implement innovation procurements.

- The **Spanish** financial incentives are co-financed from EU funding programmes, either from the European Structural Funds programme (notably ERDF) or the European Recovery and Resilience Fund. Financial incentives can support pre-commercial procurements and public procurements of innovative solutions. However, the incentives are not open to all types of public procurers and procurements in the country (only open to projects that are eligible for co-financing from the EU ESIF program as indicated in the smart specialisation priorities of Spain, not for projects that are eligible for Horizon 2020 funding and not for projects that are not eligible for ESIF funding). In Spain, there are no national financial incentives for cases that cannot get financial support from EU funding programmes, and thus the available incentives cannot mainstream innovation procurement at large scale across all application areas yet. Examples of financial incentives in Spain are: the CIBERINNOVA programme¹⁰⁶, managed by the Spanish national cybersecurity centre INCIBE, which is channelling a budget of 224 out of 235 million EUR through the Innovative Strategic Public Procurement Initiative, which includes actions to meet the future cybersecurity demands and challenges of public administrations, SMEs and strategic sectors; the Demand-Driven Innovation Promotion Line (FID Line)¹⁰⁷, a programme of the Ministry of Science and Innovation aimed at promoting Public Procurement of Innovation (the Spanish term for innovation procurement) actions among public sector organizations and entities; and the RIS3CAT 2030 Public Innovation Procurement Programme¹⁰⁸, through which the Government of Catalonia is buying innovative technological solutions with co-financing from the 2021-2027 EU FEDER operational program of Catalonia.

A third group of countries (DK, IT, NO, PL) achieve an overall score of 43%. They have incentives for all types of innovation procurement but none of these countries have implemented countrywide financial incentives, aimed at promoting large scale implementation of innovation procurement. The financial schemes implemented in these countries are presented below:

- In **Denmark**, public procurers can apply for funds from the Danish Business Authority for procurement of innovative solutions in the health sector¹⁰⁹. Public purchasers in regions and municipalities in the healthcare system can apply for grants to support the process of purchasing innovative technologies, medical equipment and pharmaceuticals in the healthcare system. The support is not available to R&D procurements. These incentives are one of the initiatives in the Strategy for Life Science from 2021. A total of DKK 18 million has been set aside over three years, with DKK 5 million to be used in the last round in 2023. Furthermore, Denmark's Business Promotion Board¹¹⁰ dedicated a total of DKK 72 million for innovative welfare technology, of which DKK 34 million from the EU's Regional Fund, DKK 20 million from the Social Fund Plus and DKK 18 million DKK from the decentralized business promotion funds. CO-PI also plays a pivotal role in fostering innovation within the public sector by encouraging public procurement of innovative solutions. CO-PI focuses on the health, green technologies, and construction sectors, where there is a significant potential for improvement and modernization through innovative products, services, and processes. CO-PI is developing an approach which would allow them to offer a range of financial incentives designed to reduce the risk and initial cost barrier that public organizations might face when considering the procurement of innovative solutions. These incentives would be structured to encourage all types of public procurers to engage in innovative procurement processes that can lead to improved services and efficiencies. The financial incentives would typically take the form of co-financing/grants. Summing up, in Denmark, there are some financial incentives that reduce the financial risk for procurers to undertake more innovation procurements. There is national funding for non-EU co-financed procurements, there are dedicated ESIF funds mobilized for innovation procurement, the financial incentives are directed to all types of innovation procurement. However, the funds are available only to procurers of the health and social care sectors (not to all procurers countrywide), are not open to all types of innovation procurements (not to R&D procurements), there is no top-up funding for EU co-financed procurements and the funds are not large enough to achieve large scale implementation of innovation procurement.

¹⁰⁶ <https://espanadigital.gob.es/en/lines-action/ciberinnova-program>

¹⁰⁷ <https://www.ciencia.gob.es/InfoGeneralPortal/documento/eb8b08f1-dbd0-4814-b4c9-14835d58a765>

¹⁰⁸ <https://fonseuropeus.gencat.cat/ca/ris3cat/2030/programa-compra-publica-innovacio/primer-edicio/>

¹⁰⁹ <https://www.retsinformation.dk/eli/lta/2021/1757>

¹¹⁰ <https://erhvervsfremmebestyrelsen.dk/velfaerdsteknologi>

- In **Italy**, there are financial incentives offered at the regional level – Lombardy and Sardinia provide financial incentives from ERDF funding to public procurers in those regions that encourage them to implement innovation procurements. Both regions have managed and planned calls for interest to collect innovation needs from public procurers in their region. On the basis of their needs, the innovation gaps are assessed (TRLs) as a pre-condition to select the suitable type of innovation procurement actions to be implemented under the Operational Regional Program ERDF 2021-2027 (Action 1.1.3). As a result, financial incentives are not offered to public procurers countrywide, and are therefore not able to mainstream innovation procurement widely across the country. These regional incentives are open to all types of innovation procurement (both R&D and PPI procurements), but only available for ESIF co-financed projects.
- In **Norway**, there are some limited financial incentives in place for innovation procurement. Research Council Norway (RCN)¹¹¹ provides co-financing to Norwegian public buyers to prepare and implement pre-commercial procurements. This support of around NOK 100 million annually has been available for many years since the EC published the PCP communication. Research Council Norway's PCP support programs rely on national funds and do not utilize additional EU funds like ESIF. The programme has supported several successful PCP procurements, but the available budget is not able for large scale mainstreaming of PCP across the country. The state-owned company Enova provides financial assistance for public buyers that procure energy- and climate-friendly solutions. Enova states that they heavily invest in measures that provide more new technology solutions and more users of known technology especially within the sectors of industry, land transport, sea transport, energy systems and construction and property.¹¹² The Norwegian Digitalisation Agency (Digdir) also provides co-financing to projects with a budget between NOK 10 and 100 million and up to 50% of the project costs.¹¹³ The co-financed projects should facilitate efficiency gains for the work in state enterprises and the municipalities and enable new digital services. Summing up, there are some financial incentives for public procurers for innovation procurements but not for large scale mainstreaming of all types of innovation procurement across all sectors in which procurers are active in the country. The programmes are using national funds and are not topping-up EU funds like ESIF.
- In **Poland**, any contracting authority can seek on its own initiative ESIF funding for an innovation procurement from the thematically related Operational Program of its region. However, this does not mean that ESIF funding is really used to provide financial incentives for innovation procurements in every region in Poland because contracting authorities are autonomous in applying for funding for their own innovation projects and in deciding whether they will use innovation procurement. There is only one region in Poland (Lesser Poland Voivodeship) that explicitly plans to use its regional specialisation strategy to incentivise public procurers to implement innovation procurements, by planning to implement concrete ESIF projects in the form of innovation procurements (e.g. in the area of Building Information Modelling). However, this funding is not available to all procurers in the country, it is used only for topics that match the planned actions that fit within the smart specialisation priorities of the program, it uses only EU ESIF funding and no national financial incentives and because of all these reasons it is therefore not able to mainstream innovation procurement widely across all procurers and all sectors of public procurement activity in the country.

A fourth group of countries (AT, LV) achieve an overall score of 29%, as their financial incentives are not open to all types of innovation procurement, not available to all procurers across the country and not scaled up to mainstream innovation procurement widely.

- In **Austria**, **Austria Wirtschaftsservice** Gesellschaft mbH (aws), the promotional bank of the Austrian Federal Government, runs IÖB Toolbox¹¹⁴, which is intended for Austrian public procurers who want to make use of more innovations. The funding program aws - IÖB Toolbox¹¹⁵ gives grants of up to 100.000 EUR per grant to Austrian public procurers. Since 2024, as part of the 2024 - 2026 funding period, it will be possible to also receive funding for legal advice and/or technical advice for the preparation of tender documents in the amount of 20.000,00 EUR per project. In the previous period 2022-2023, as well as in the current period 2024-2026, around 2 million per year were/are available. Two types of projects are eligible for funding: design and

¹¹¹ <https://www.forskningsradet.no/sok-om-finansiering/hvem-kan-soke-om-finansiering/offentlig-sektor/forkommersielleanskaffelser/>

¹¹² <https://www.enova.no/om-enova/>

¹¹³ <https://www.digdir.no/finansiering/kva-er-medfinansiering/1962>

¹¹⁴ <https://www.aws.at/en/aws-ioeb-toolbox/>

¹¹⁵ <https://www.ioeb.at/leistungen/fuer-oeffentliche-auftraggeber/toolbox>

implementation of IÖB-Challenges and public procurement of innovative solutions (PPI). The grant covers the costs of IÖB consulting to enter the challenge on the IÖB platform (Prepare module) and the costs of acquisition of innovative products or services (Transfer module). However, these financial incentives are not aimed at all types of innovation procurement countrywide; instead, they are focused on funding procurements that deploy innovative solutions (not R&D) in the environmental, climate and digital domain. The grants are only open to innovation procurements that are prepared by IÖB and are published as a challenge on the IÖB platform. Also, the total budget available for those types of grants is limited (100.000 EUR) and thus they do not foster large scale implementation of innovation procurement. The grants are financed from national funding whilst EU funding, such as ESIF, are not used for innovation procurement.

- **Latvia** has a limited set of financial incentives that can be used for innovation procurement. As one of the measures envisaged under one of the investment areas (5.1.1.4) of the European Union Cohesion Policy programmes 2021-2027, the Ministry of Environmental Protection and Regional Development launched a call with the aim of promoting the development of “Smart Municipalities”¹¹⁶, by introducing smart solutions¹¹⁷. Primary recipients of the support, which is available in the period from June 2023 to December 2029, are municipalities, municipal institutions, local government capital companies and planning regions, whereas the total funding planned for the action is 18 270 000 EUR. The implementing rules¹¹⁸ of this call explain under point 36.2 that eligible costs under the rules of the call are the costs of purchasing or developing and installing a smart solution, including adjustment and testing; confirming that public procurers will also receive funding for the purchase of innovative solution. This financial incentive mobilises ESIF funds, but not for all types of innovation procurement, not for all public procurers countrywide (only to municipalities), and not at a level to foster innovation at a large scale.

4.8.2. Personal incentives

10 countries (AT, DE, ES, FI, FR, IE, IT, LT, NL, UK) **have set up personal incentive schemes** to encourage public procurers to undertake more innovation procurement.

Personal incentives take different forms.

- In the **UK and Finland**, the government/ministries agree on KPIs with public procurers in the country, which set cost reduction and quality improvement levels / targets for public procurements that are implemented by public procurers at all levels (e.g. CO2 reduction). These KPIs seriously drive forward innovation procurement in the UK and Finland. In Finland the use of KPIs is however mainly applied at the national level, not so much yet at local and regional level.
- In **Italy, Lombardy region** implements a personal incentive scheme that provides bonuses for public servants that contribute to achieving the 3% regional target for innovation procurement. The objective to contribute to this regional target is also included in the career objectives of public servants.
- In **the Netherlands**, the public procurement excellence centre PIANOo, in collaboration with procurement experts and national universities, publishes every year a compendium of the ‘Top 10 most innovation-friendly public procurement organisations’¹¹⁹.
- In **Austria, France, Ireland, Lithuania, Spain and Germany**, personal incentives are national prizes that reward public procurers that are top performers in implementing successful innovation procurements.

¹¹⁶ <https://www.varam.gov.lv/lv/viedas-pasvaldibas>

¹¹⁷ <https://likumi.lv/ta/id/343185>

¹¹⁸ <https://likumi.lv/ta/id/343185>

¹¹⁹ <https://www.pianoo.nl/nl/analyse-innovatievriendelijke-inkopers-de-publieke-sector-2022>

4.9. Indicator 9 – Capacity building and assistance measures

Capacity building and raising specific competencies are cornerstones of successful implementation of innovation procurement, therefore lack of know-how and experience on innovation procurement is also a significant barrier to raise the level of innovation procurement in a specific country. Several countries around Europe have therefore set up measures to build up the know-how of public procurers on innovation procurement and/or to provide tailored case-by-case assistance to public procurers to implement specific innovation procurement projects. To make these measures easily accessible to public procurers in a one-stop-shop, these activities are typically coordinated by a national competence centre on innovation procurement. This indicator tracks progress on the capacity building and assistance measures implemented for innovation procurement across different countries.

The table below provides the overall scores of different countries for the Indicator "Capacity building and assistance measures" for the current and previous benchmarking. The score is based on the 9 sub-indicators listed in the columns of the table.

Although 28 countries (AT, BE, CY, CZ, CH, DE, DK, EE, ES, FI, FR, HU, HR, IE, IT, LT, LV, LU, MT, NL, NO, PL, PT, RO, SE, SI, SK, UK) foresee regular dedicated capacity building and assistance measures for innovation procurement, these activities are usually only partially developed: in many countries there is still a clear lack of basic capacity building measures, such as a central website on innovation procurement and a one-stop shop / national competence centre for innovation procurement. Available training and assistance initiatives (trainings, networking between procurers, lists of good practice cases, handbooks) are typically not designed and resourced to mainstream innovation procurement at large scale as well as template tender documents are not existing in most of the countries. The number of countries that provide advanced types of assistance is still very low: case specific full-scale practical implementation and legal assistance, template tender documents and coordination support for innovation procurements are scarce.

Table 37. Indicator 9 – breakdown of total scores and comparison of result in the previous (2020) and current (2024) benchmarking

Country	Central website	Good practices	Trainings and workshops	Handbook or guidelines	Assistance to public procurers	Template tender documents	Coordination	Networking	One-stop-shop	Total – Capacity Building (2024)	Total – Capacity Building (2020)
Austria	83%	83%	100%	67%	83%	0%	0%	83%	83%	65%	65%
Belgium	50%	67%	67%	67%	50%	0%	0%	67%	50%	46%	41%
Bulgaria	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Croatia	0%	0%	50%	0%	0%	0%	0%	0%	0%	6%	0%
Cyprus	0%	0%	67%	0%	0%	0%	0%	0%	0%	7%	0%
Czech Republic	0%	33%	0%	50%	0%	0%	0%	0%	0%	9%	0%
Denmark	50%	50%	50%	33%	33%	0%	0%	50%	50%	35%	19%
Estonia	0%	50%	67%	83%	83%	0%	0%	50%	0%	37%	22%
Finland	83%	83%	50%	67%	67%	0%	50%	83%	83%	63%	63%
France	0%	50%	33%	67%	0%	0%	0%	0%	0%	17%	31%
Germany	83%	83%	67%	83%	83%	0%	0%	67%	83%	61%	61%
Greece	0%	0%	67%	0%	33%	0%	0%	0%	0%	11%	0%

Hungary	67%	67%	0%	67%	0%	0%	0%	0%	0%	22%	11%
Ireland	50%	0%	0%	50%	0%	0%	0%	50%	0%	17%	6%
Italy	50%	0%	50%	0%	50%	0%	0%	0%	50%	22%	7%
Latvia	50%	50%	50%	50%	0%	0%	0%	0%	0%	22%	0%
Lithuania	50%	50%	50%	67%	0%	0%	0%	0%	67%	31%	46%
Luxembourg	0%	33%	0%	67%	0%	0%	0%	0%	0%	11%	17%
Malta	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Netherlands	50%	50%	67%	83%	50%	0%	0%	83%	83%	52%	57%
Norway	83%	67%	67%	67%	67%	50%	50%	67%	67%	65%	65%
Poland	50%	50%	50%	50%	50%	0%	0%	0%	0%	28%	17%
Portugal	67%	67%	67%	83%	50%	0%	0%	67%	67%	52%	0%
Romania	0%	0%	67%	0%	0%	0%	0%	0%	0%	7%	0%
Slovakia	0%	0%	33%	67%	0%	0%	0%	0%	0%	11%	11%
Slovenia	0%	50%	50%	83%	0%	0%	0%	0%	0%	20%	28%
Spain	50%	0%	50%	50%	50%	0%	0%	0%	50%	28%	31%
Sweden	100%	67%	0%	100%	67%	0%	67%	67%	83%	61%	81%
Switzerland	0%	50%	0%	0%	0%	0%	0%	0%	0%	6%	0%
UK	0%	50%	50%	50%	33%	50%	0%	33%	0%	30%	35%
EU Average	34%	38%	42%	48%	28%	3%	6%	26%	27%	28%	24%

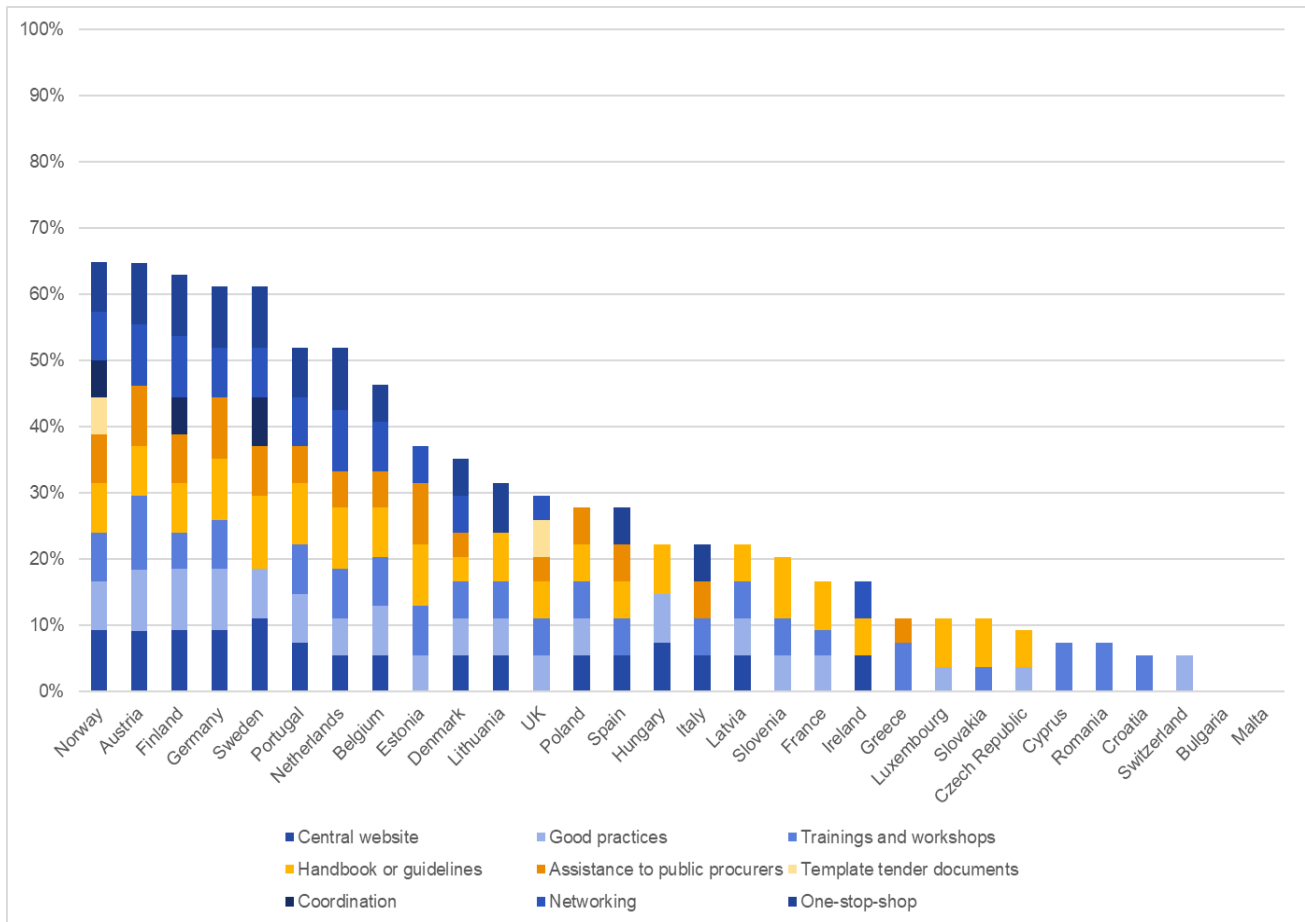
Source: Author's elaboration

The European average score for this Indicator is 28%, which means that on average countries have deployed less than 30% of the capacity building measures that they could deploy to boost innovation procurement. This low score is explained as follows:

- Although 28 countries (AT, BE, CY, CZ, CH, DE, DK, EE, ES, FI, FR, HU, HR, IE, IT, LT, LV, LU, MT, NL, NO, PL, PT, RO, SE, SI, SK, UK) foresee capacity building and assistance measures for innovation procurement, these activities are usually only partially developed: in many countries there is still a clear lack of basic capacity building measures, such as a central website on innovation procurement and a one-stop shop / national competence centre for innovation procurement. Available training and assistance initiatives (trainings, networking between procurers, lists of good practice cases, handbooks) are typically not designed and resourced to mainstream innovation procurement at a large scale, and template tender documents are not existing in most of the countries. The number of countries that provide advanced types of assistance is still very low: case specific full-scale practical implementation and legal assistance, template tender documents and coordination support for innovation procurements are scarce.
- 2 countries (Bulgaria and Malta) don't have any type of capacity building measure for innovation procurement.

The overall ranking of the countries for the indicator 9 is illustrated in the graph below.

Figure 19. Indicator 9 "Capacity building and assistance measures" – overall country ranking



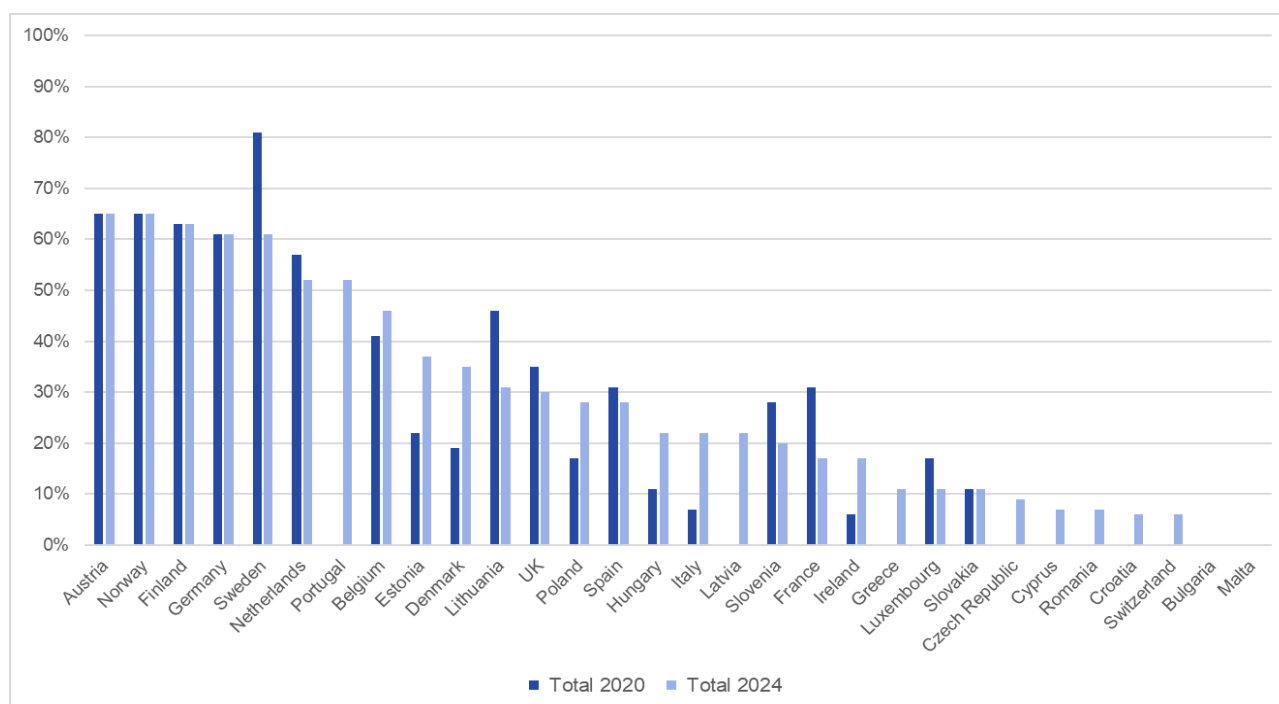
Source: Author's elaboration

There are three groups of countries for Indicator 9:

- **The 5 good performers** are Norway (65%), Austria (65%), Finland (63%), Germany (61%), and Sweden (61%), which have implemented between 7 and 9 capacity building measures and therefore score more than double of the European average.
- **The 10 very low performers** are Malta and Bulgaria (0%), Switzerland and Croatia (6%), Romania and Cyprus (7%), Czech Republic (9%), Slovakia, Luxembourg and Greece (11%), which have implemented less than 3 capacity building measures and therefore score less than half of the European average.
- **The big middle group of the remaining 15 low performers** that have implemented between 3 and 6 capacity building measures and score therefore around the average.

Figure 20. below shows the comparison of the country ranking in the previous (2020) and current (2024) benchmarking.

Figure 20. Indicator 9. comparison of total scores in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

Compared to the previous benchmarking, **14 countries made progress**. In particular, 8 countries that did not have any capacity building measures last time, offer capacity building measures (PT, LV, EL, CZ, CY, RO, HR, CH) now. **Portugal made the biggest move forwards** (from 0% to 52%). **Unfortunately, 8 countries also have a setback** and are now offering less extensive capacity building measures than 4 years ago (SE, NL, LT, UK, ES, SI, FR, LU). As a result, **the European average performance only slightly increased** from 24% to 28%. This is mainly due to increased activity in a number of countries related to offering a central website, trainings, good practice examples, developing handbooks and guidelines and assistance to contracting authorities.

The table below provides an overview of which countries had deployed which capacity-building activities and assistance measures by the end of 2023.

Table 38. Capacity-building activities and assistance measures implemented in each country

Activity	Countries
Central website	AT, BE, DE, DK, ES, FI, HU, IE, IT, LT, LV, NL, NO, PL, PT, SE (16)
Good practices	AT, BE, CZ, DK, EE, FI, FR, DE, HU, LV, LT, LU, NL, NO, PL, PT, SI, SE, CH, UK (20)
Trainings and workshops	AT, BE, HR, CY, DK, EE, FI, FR, DE, EL, IT, LV, LT, NL, NO, PL, PT, RO, SK, SI, ES, UK (22)
Handbooks and guidelines	AT, BE, CZ, DK, EE, FI, FR, DE, HU, IE, LV, LT, LU, NL, NO, PL, PT, SK, SI, ES, SE, UK (22)
Assistance to public procurers	AT, BE, DK, EE, FI, DE, EL, IT, NL, NO, PL, PT, ES, SE, UK (15)
Template tender documents	NO, UK (2)
Coordination / pre-approval	FI, NO, SE (3)
Networking of procurers	AT, BE, DK, EE, FI, DE, IE, NL, NO, PT, SE, UK (12)
One-stop-shop/competence centre	AT, BE, DK, FI, DE, IT, LT, NL, NO, PT, ES, SE (12)

Source: Author's elaboration

The most widely available capacity building measures are:

- 22 countries have **handbooks and guidelines** on innovation procurement for public procurers (all 30 countries except BG, RO, MT, HR, CY, EL, IT, CH). This is 3 countries more compared to the previous benchmarking (BE, CZ, LV).
- 22 countries are offering **trainings and workshops** on innovation procurement (all 30 countries except BG, MT, HU, SE, IE, LU, CZ, CH). This is 7 countries more compared to the previous benchmarking (HR, CY, DK, EL, IT, LV, PT, RO, ES started to do so as well, but SE and HR no longer have dedicated trainings / workshops on innovation procurement).
- 20 countries published **good practices** / case examples on innovation procurement (all 30 countries except BG, RO, MT, HR, SK, ES, IT, IE, EL, CY). This is 10 countries more compared to the previous benchmarking.
- 16 countries have a **central website** that gives an overview of existing and upcoming capacity building measures and policy initiatives to mainstream innovation procurement (AT, BE, DE, DK, ES, FI, HU, IE, IT, LT, LV, NL, NO, PL, PT, SE). This is 5 countries more compared to the previous benchmarking.
- 12 countries have a **one-stop-shop/competence centre** for innovation procurement (AT, BE, DK, FI, DE, IT, LT, NL, NO, PT, ES, SE). This is 3 countries more compared to the previous benchmarking (DK, IT, PT).

Note that these 5 most developed capacity building measures are also the easiest measures to set up, as they make basic information available to a wide audience with minimum required resources. All 5 of these capacity building measures show a positive trend over the years, with an increasing number of countries implementing them.

The 4 least widely available capacity building measures are:

- 15 countries provide **assistance to public procurers** to kickstart innovation procurements (AT, BE, DK, EE, FI, DE, EL, IT, NL, NO, PL, PT, ES, SE, UK). That is 4 extra countries compared to the previous benchmarking (DK, EE, EL, IT, PL, PT, ES started with it, but at the same time, FR, LT and SI no longer do it).
- 12 countries organise **networking** activities between public procurers (AT, BE, DK, EE, FI, DE, IE, NL, NO, PT, SE, UK). This is a slight decrease in comparison to 13 in the previous benchmarking (while DK, EE, IE and PT started networking activities, ES, FR, HU, LU and SI don't organise them anymore).
- 2 countries only provide **template tender documents** to public procurers (NO and UK). That is small decrease compared to the 3 countries in the previous benchmarking (DK no longer offers them).
- 3 countries only **pre-approve / coordinate innovation procurements** for public procurers (FI, NO, SE). That is the same amount of countries as in the previous benchmarking (FI started, while LT stopped doing it).

Note that these 4 least available types of capacity building measures are also the more advanced type measures, as they provide more in-depth and tailored support to procurers, which costs more effort and resources. Although tailored capacity building measures are vital to convince the majority of procurers to get started, they are still only available in a very limited way. Except for the assistance, countries even decreased their efforts on the other 3 measures.

In conclusion, there is a **positive trend for the more basic capacity building measures** that are slowly spreading, but the **challenge is to also get more advanced, tailored capacity building measures rolled out widely** across Europe.

4.9.1. Central website

16 countries (AT, BE, DE, DK, ES, FI, HU, IE, IT, LT, LV, NL, NO, PL, PT, SE) offer countrywide, free of charge **information on innovation procurement on a central website**. This marks a significant improvement in comparison to the previous benchmarking, when there were only 9 countries that had a central website. As a result, **the European average score for the sub-indicator "central website" increased from 22.2% to 33.9% compared to the previous benchmarking**.

Despite that, only one country (SE) has obtained a full 100% score, as it covers all 6 below aspects that reflect how to make a comprehensive central website available to procurers. In only **8 out of 16 countries, the central website covers all aspects of innovation procurement** (AT, BE, DE, ES, FI, NO, PT, SE), and only 4 provide information about EU initiatives that support of innovation procurement (DE, HU, IE, SE). Furthermore, in only 4 out of 16 countries, the information provided on the central website also takes into consideration how to mainstream innovation procurement at a large scale (AT, FI, NO, SE). A lot of work is still needed to ensure that in all countries procurers are correctly informed about all those aspects.

Table 39. Evidence and score on central website in each country

Central website	AT	BE	DE	DK	ES	FI	HU	IE	IT	LT	LV	NL	NO	PL	PT	SE
Central website explains why the policy framework encourages public procurers and gives an overview of policy initiatives to mainstream innovation procurement	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
The site provides national and EU level references/initiatives that support innovation procurement			√				√	√								√
Information is offered free of charge by the site	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Information on the site covers all types of innovation procurement (i.e. covering R&D procurement, including PCP, and PPI)	√	√	√		√	√							√		√	√
Information on the site is applicable to all public procurers in the country	√		√	√		√	√		√	√	√	√	√	√	√	√
Information on the site addresses how to mainstream innovation procurement at a large scale	√					√							√			√
Total score	83%	50%	83%	50%	50%	83%	67%	50%	50%	50%	50%	50%	83%	50%	67%	100%

Source: Author's elaboration

Interesting examples of country level activities are:

- The **Austrian** PPPI Service Centre (IÖB Servicestelle¹²⁰) is the key actor in the country providing capacity building activities and hosting the central website. The online platform centralises key information on the legal framework, the political context (action plan), case examples, financial incentives and available assistance for procurers on innovation procurement. However, references to recent EU initiatives (e.g. European Assistance for Innovation Procurement, European Initiative to Benchmark National Policy Frameworks for Innovation Procurement across Europe, recent EU funded projects e.g. Horizon 2020 funded PCP and PPI projects) are missing. On the online platform, innovation procurement stakeholders (public procurers, research institutions, enterprises, citizens, etc.) are free to interact, thus ensuring a greater match between the public needs and the market supply. In other words, the platform is designed to, on the one hand, allow procurers to specify a challenge, and on the other allow suppliers to present their innovative solutions.
- In **Denmark**, CO-PI hosts a central website¹²¹ in the country that explains why the country encourages public procurers to undertake innovation procurement and shares information on the key steps to prepare an innovation procurement. It is created by the national Government, Local Government Denmark and Danish Regions. It gives an overview of national innovation procurement financing initiatives in other European countries, however, information about R&D/PCP procurements and about initiatives at EU level is scarce. In addition, CO-PI currently only focuses on a limited set of sectors (healthcare, green transition and construction sector) and is therefore not equipped yet to mainstream innovation procurement widely across all sectors.
- On the central website¹²² Anskaffinger, which is part of the **Norwegian** Agency for Public and Financial Management (DFØ), procurement agencies can find different resources on topics such as efficient, green and innovation procurement. Through its central website, the DFØ disseminates official guides and handbooks, hosts training sessions and courses for procurers. These resources cover the link with the support provided by the National Programme for Supplier Development (LUP) and available financial incentives for public buyers for innovation procurement¹²³, such as the co-financing for Pre-Commercial Procurement (PCP). However, the link with EU initiatives on innovation procurement is underdeveloped. Additionally, DFØ implements various activities encompassing information dissemination, awareness campaigns, the collection and recognition of good practices, individual advisory services, and international networking efforts.
- In **Sweden**, the only country scoring 100% on the sub-indicator, the central website Arena for Innovation Procurement¹²⁴ (Afori) is managed by the National Agency for Public Procurement. Afori promotes LinkedIn discussion groups where the public sector, business, academies and civil society can gather and aims to inspire public buyers to carry out more innovation procurements. It provides support and guidance on innovation procurement, by developing and disseminating know-how, tools and methods and connects where needed to the main National Agency for public procurement's website for extra information on innovation procurement policy aspects. The website is free of charge for all procurers in the country and covers different aspects of innovation procurement. The Afori site, together with the additional linked information on the National Agency's website, provides guidelines, explanations, reports on innovation procurement and interconnects with EU initiatives¹²⁵ on innovation procurement. Afori and the National Agency for public procurement also provide information on their websites about available funds for innovation procurement from Swedish and EU programmes **Error! Bookmark not defined.**, trainings and workshops and also host forums and buyers networks¹²⁶. The Afori website publishes films, podcasts and articles about successful work with innovation procurement.

4.9.2. Good practices

20 countries (AT, BE, CZ, DK, EE, FI, FR, DE, HU, LV, LT, LU, NL, NO, PL, PT, SI, SE, CH, UK) **publish good practice examples of inspirational innovation procurement cases on a national website**, 5 more than in the previous benchmarking. As a result, **the European average for the “Good practices” sub-indicator increased from 22.8% to 38.3% compared to the previous benchmarking.**

¹²⁰ <https://www.ioeb.at/>

¹²¹ <https://co-pi.dk/brug-os-til/innovative-offentlige-indkoeb/>

¹²² <https://anskaffelser.no/innovative-anskaffelser-hovedside>

¹²³ <https://anskaffelser.no/innovasjon/finansiell-stotte-til-innovative-anskaffelser>

¹²⁴ <https://www.afori.se/>

¹²⁵ <https://www.upphandlingsmyndigheten.se/innovation-i-upphandling/innovationsupphandling-i-internationell-utblick/>

¹²⁶ <https://www.afori.se/bestallarnatverk/>

In all 20 countries, the publication is offered free of charge but **only in 17 countries, the publication of good practices is applicable to all public procurers in the country** (in the other 3 countries, the good practices are, for example, only applicable to procurers in one region of the country). In addition, in most countries, only national case examples are promoted: only 4 countries include examples from other countries or examples of cross-border innovation procurements (including European funded good practice examples). **Learning from and cooperating with other countries is not sufficiently encouraged.** Furthermore, good practice examples mostly **don't cover all types of innovation procurement** and **do not demonstrate how to mainstream innovation procurement or scale up the impact of innovation procurements at large scale.** This may wrongly insinuate to public buyers in those countries that certain types of innovation procurement are not allowed, or that it is not possible to buy innovatively with certain procurement procedures, or that innovation procurements are only suitable to implement small scale projects. A lot of work is still needed to achieve a well-rounded, representative set of good practice examples in all countries.

Table 40. Evidence and score on good practices in each country

Good practices	AT	BE	CZ	DK	EE	FI	FR	DE	HU	LV	LT	LU	NL	NO	PL	PT	SI	SE	CH	UK
Publication of good practice examples	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Publication includes besides national also international / EU funded good practice examples		√				√		√	√											
Publication of good practice examples is offered free of charge	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Publication of good practice examples covers all types of innovation procurement	√	√						√						√		√		√		
Good practice examples provided are applicable to all public procurers in the country	√			√	√	√	√	√	√	√	√		√	√	√	√	√	√	√	√
Good practice examples are included that demonstrate how to mainstream innovation procurement at large scale	√					√														
Total score	83%	67%	33%	50%	50%	83%	50%	83%	67%	50%	50%	33%	50%	67%	50%	67%	50%	67%	50%	50%

Source: Author's elaboration

Interesting examples regarding country activities in the dissemination of good practices are presented below:

- In **Finland**, the KEINO web page includes a Material bank¹²⁷ with case examples of all types of innovation procurements. The bank does not provide much information about international case examples. It includes a few examples of cross-border EU funded R&D procurements in which Finnish procurers participated in the

¹²⁷ <https://www.hankintakeino.fi/en/materialbank>

buyer groups, but it lacks examples of R&D/PCP procurements that were implemented by individual procurers in Finland. The Material bank can be searched using the provided tags or desired search terms, which then lead to all relevant information to present the case selected, supplemented with links to all relevant information. Some case examples are also provided by Business Finland in its annual publications on results¹²⁸.

- **Sweden** regularly publishes new national case examples, which can also be found on the Afori and National Agency for Public Procurement's website. The examples present through in-depth analysis and interviews how the procurement was prepared, implemented, what the challenges were, and which results were achieved for both procurers and companies. The examples cover all types of procurements (including PCP and PPI) with both references to national and EU funded cases. Good practice cases could be improved by illustrating more aspects of an innovation procurement project and including also additional international / EU case examples in order to ensure large scale innovation procurement impact.

4.9.3. Trainings and workshops

22 countries (AT, BE, HR, CY, DK, EE, FI, FR, DE, EL, IT, LV, LT, NL, NO, PL, PT, RO, SK, SI, ES, UK) have **dedicated training and workshop activities to increase the know-how of public procurers on innovation procurement practices in a systematic, regular way**, which is also an improvement in comparison to 15 countries doing so in the previous benchmarking. As a result, **the European average for the "trainings and workshops" sub-indicator significantly increased from 34.5% to 42.2% compared to the previous benchmarking**.

Out of these 22 countries, however, **only Austria obtained a full 100% score**. In the rest of Europe, the biggest issues are the lack of connection of trainings/workshops to the international framework in most countries, as well as almost no countries addressing how to implement innovation procurements widely or how to scale up the impacts of innovation procurements at large scale in their trainings or workshops on innovation procurement.

Table 41. Evidence and score on trainings and workshop in each country

Trainings and workshops	AT	BE	HR	CY	DK	EE	FI	FR	DE	EL	IT	LV	LT	NL	NO	PL	PT	RO	SK	SI	ES	UK	
Trainings/workshops are offered by the government	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Trainings/workshops offered cover not only national aspects but also the EU and international framework	√	√								√	√			√			√	√					
Trainings/workshops are offered free of charge	√	√	√	√	√	√	√		√	√		√	√	√	√	√	√	√	√	√	√	√	√
Trainings/workshops cover all types and aspects of innovation	√	√		√		√		√	√	√	√				√							√	

¹²⁸ <https://www.businessfinland.fi/492bd8/globalassets/finnish-customers/about-us/results-and-impact/tulokset-ja-vaikutukset-2024-en.pdf>

procurement																							
Trainings/workshops are available/ap plicable to all public procurers in the country	√		√	√	√	√	√		√			√	√	√	√	√	√	√		√		√	
Training/workshops address how to implement innovation procurement at large scale	√																						
Total score	100%	67%	50%	67%	50%	67%	50%	33%	67%	67%	50%	50%	50%	67%	67%	50%	67%	67%	33%	50%	50%	50%	

Source: Author's elaboration

Interesting country examples of trainings and workshops are:

- In **Austria**, the PPPI Service Centre (the national competence centre on innovation procurement - IÖB Servicestelle¹²⁹), in cooperation with the Federal Academy of Public Administration, carries out **training activities** that deliver a certification of achieving PPPI competence at different levels (basic, advanced)¹³⁰. In addition, Bundesbeschaffung GmbH (Austrian Federal Procurement Agency, BBG) established the in-house Public Procurement Academy to promote theoretical and practical knowledge specific to centralised public procurement.
- The **Greek National Training Institute for Public Servants (INEP)**¹³¹ prepares and implements **training programs** for Public Administration and Local Government officers covering a big range of topics and subjects. These programs are certified. INEP offers a special course for innovation procurement for public procurers, which consists of four modules, each lasting for two days, with a total duration of 48 hours. The training course on innovation procurement is based on the EU guidance and best practices on innovation procurement, such as the Innovation Procurement Toolkit developed by the European Assistance for Innovation Procurement, the EU Network of national competence centres for innovation procurement, and the EU Horizon 2020 Programme.

4.9.4. Handbook and guidelines

Handbooks and guidelines on innovation procurement have been published in 22 countries (AT, BE, CZ, DK, EE, FI, FR, DE, HU, IE, LV, LT, LU, NL, NO, PL, PT, SK, SI, ES, SE, UK), 3 more than in the previous benchmarking. As a result, **the European average score for this sub-indicator increased slightly from 46.6% to 48.3% compared to the previous benchmarking.**

However, **only in 1 country (Sweden), these guidelines score 100%** as they cover all types and aspects of innovation procurement, highlight also the EU and international framework for innovation procurement, are offered free of charge, are addressed and applicable to all public procurers in the country and conceived to mainstream innovation procurement at a large scale. In the rest of Europe, the main issues are that guidelines do not cover all types and aspects of innovation procurement, do not explain the applicable EU and international framework and are not explaining how to scale up innovation procurement to maximise impacts.

¹²⁹ <https://www.ioeb.at/>

¹³⁰ <https://ppe.bbg.gv.at/> (English) and other training at <http://www.ioeb.at/leistungen/training-und-weiterbildung/> (in German)

¹³¹ <https://www.ekdd.gr/en/training/participation-in-training/training-fields/>

Table 42. Evidence and score on handbooks and guidelines in each country

Handbook and guidelines	AT	BE	CZ	DK	EE	FI	FR	DE	HU	IE	LV	LT	LU	NL	NO	PL	PT	SK	SI	ES	SE	UK
Official handbook or guideline is available	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Handbook/guidelines gives also guidance about relevant EU/international framework for innovation procurement		√			√		√	√									√	√	√		√	
Handbook/guidelines is offered free of charge	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Handbook/guidelines covers all aspects and types of innovation procurement	√	√			√	√	√	√				√	√	√	√		√		√		√	
Handbook/guidelines is available and applicable to all public procurers in the country	√		√		√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Handbook/guidelines addresses how to implement innovation procurement at large scale														√							√	
Total score	67%	67%	50%	33%	83%	67%	67%	83%	67%	50%	50%	67%	67%	83%	67%	50%	83%	67%	83%	50%	100%	50%

Source: Author's elaboration

Interesting country examples of handbooks / guidelines are:

- In **Sweden**, the National Procurement Agency and Vinnova provide several relevant **guidelines and handbooks** for innovation procurement ^{132,133,134}. The guidances go further than providing just high-level information, by explaining also detailed aspects such as IPR handling in public procurement **Error! Bookmark not defined.**, forming of buyer groups with links to relevant EU initiatives.
- In **Portugal**, The PROCURE+i¹³⁵ platform provides reference information about innovation procurement, through manuals, best practices and **guidelines**, starting from the basics and going into more details for

¹³² <https://www.vinnova.se/publikationer/Forkommersiell-upphandling/>

¹³³ <https://www.upphandlingsmyndigheten.se/inkopsprocessen/forbered-upphandling/behovsanalys/>

¹³⁴ <https://www.upphandlingsmyndigheten.se/inkopsprocessen/forbered-upphandling/tidig-dialog/>

¹³⁵ <https://www.compraspublicasinovacao.pt/en/dissemination-of-good-practices-and-production-of-manuals-and-guidelines/>

implementing innovation procurements inspired on the innovation procurement toolbox of the European Assistance for Innovation Procurement (Eaifip).

- **Slovenia** has developed official **National Guidelines on Innovation Procurement**¹³⁶ with definitions, steps, examples and practical information on innovation procurement. The Guidelines provide information about all types of innovation procurement, differences between them and how to implement them, including detailed information on specific implementation aspects (such as IPR allocation), references to relevant EU initiatives, guidance on applying innovation procurement in a way that stimulates also the green and digital transition and concrete steps on how to setup an innovation procurement policy. In addition, the guidelines are applicable and available free of charge to all public procurers in Slovenia.

4.9.5. Assistance to public procurers

15 countries (AT, BE, DK, EE, FI, DE, EL, IT, NL, NO, PL, PT, ES, SE, UK), **provide dedicated technical and legal assistance to public procurers to prepare and implement innovation procurement, in a regular, structured manner.** These are 4 countries more than in the previous benchmarking. As a result, **the European average of 28.3% still marks a slight improvement in comparison to 23.3% in the previous benchmarking.**

The strongest performers in terms of assistance for procurers are Austria, Estonia and Germany, each scoring 83%, considerably above the European average (28.3%). In the other 14 countries, the assistance is incomplete in the sense that it is not available for all types or aspects of innovation procurement, it is not offered to all procurers in the country, there is no assistance to scale up innovation procurements and/or there is no assistance to prepare innovation procurements together with procurers of other countries (e.g. for EU funded projects). In 15 countries, there is still a complete absence of any form of assistance to help public procurers implement innovation procurements. Therefore, a considerable increase of efforts is needed in many countries to offer adequate assistance to public procurers.

Table 43. Evidence and score on assistance to public procurers in each country

Assistance to public procurers	AT	BE	DK	EE	FI	DE	EL	IT	NL	NO	PL	PT	ES	SE	UK
Government offers case specific assistance	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Assistance is also provided to obtain EU financing			√	√		√							√		
Assistance is offered free of charge	√	√		√	√	√	√	√	√	√	√		√	√	√
Assistance is available for all types and aspects of innovation procurement	√	√		√		√		√		√				√	
Assistance is available/applicable to all public procurers in the country	√			√	√	√			√	√	√	√		√	
Assistance is available to mainstream innovation procurements at large scale across the country	√				√							√			
Total score	83%	50%	33%	83%	67%	83%	33%	50%	50%	67%	50%	50%	50%	67%	33%

Source: Author's elaboration

¹³⁶https://www.gov.si/assets/ministrstva/MJU/DJN/Smernice-javnega-narocanja/Smernice-za-inovativno-javno-narocanje_ranljiveskupine_kontrast.docx

Interesting country examples for assistance to procurers are:

- In **Estonia**, the **Joint agency of Enterprise Estonia and KredEx**¹³⁷ offers case specific (practical and legal) implementation **assistance to public procurers** in preparing and implementing innovation procurements. Their assistance in preparing and implementing innovation procurements is not exclusively limited to procurers benefiting from European Structural and Investment Funds (ESIF) funding. The Agency's support extends to all types of public procurers, therefore, central government agencies, local government units and other public sector bodies and includes, as mentioned, guidance and consultations, i.e., expert advice on how to structure innovation procurements, training sessions and materials to build the capacity of public procurers, facilitating connections between public procurers and innovative businesses etc. Therefore, the overall aim is to encourage the adoption of innovative solutions and products that can improve public services and stimulate economic growth. By doing so, the Agency contributes to a more dynamic market and supports the development of innovative businesses. The activity includes assistance about the national (and regional) framework for implementing innovation procurement, is offered free of charge and for all public procurers in the country and covers all types of innovation procurement. In addition, for the period 2021-2029, the **Public Sector Innovation Capacity Programme**, run by the State Office, is providing assistance to public buyers: it provides procurers access to experts who can assist with the drafting of procurement documents, ensuring that they are conducive to innovation. This support is provided for innovation procurements implemented with EU financing (e.g. RRF, ESIF, Horizon Europe, EIB financing). These innovation procurements can take the form of Pre-Commercial Procurement (PCP) or Public Procurement of Innovative Solutions (PPI).
- **Germany** actively promotes the development of skills and competencies in innovation procurement through the national **Competence Centre** for Innovation Procurement (KOINNO). It operates with an annual budget approximately amounting to €1.5 million.¹³⁸ As a pivotal "one-stop-shop" for knowledge and experience in public procurement, KOINNO undertakes a diverse array of activities, which also include offering cost-free **assistance** to procurers, including legal, technical, and economic support throughout the innovation procurement process. This includes aiding public clients in establishing or reorganizing their procurement departments for enhanced efficiency, innovation, and strategic efficacy.

4.9.6. Template tender documents

Only 2 countries (NO, UK) provide template tender documents for innovation procurement to public procurers, which presents a negative trend in comparison to the previous benchmarking, when three countries provided template tender documents (DK, NO, UK). As a result, the **European average score for the “template tender documents” sub-indicator decreased from 5% to 3.3%.** As official template tender documents provide reassurance to procurers and can save them a massive amount of time, there is huge effort needed to make available more model/template tender documents for innovation procurements in all countries.

Table 44. Evidence and score on template tender documents in each country

Template tender documents	NO	UK
Government offers template tender document to undertake innovation procurement	√	√
Tender template documents also refer to the relevant EU and international frameworks		
Templates are offered free of charge	√	√
Templates are available for all types of innovation procurement		
Templates are applicable to all public procurers in the country	√	√
Templates address how to implement public procurement at large scale		
Total score	50 %	50 %

Source: Author's elaboration

¹³⁷ <https://eas.ee/otsing/?q=innovatsioonihange>

¹³⁸ <https://www.koinno-bmwk.de/en/>

Evidence regarding template tender documents includes:

- In **Norway, the LUP / innovation procurement programme**¹³⁹ acts as the competence centre for innovation procurement and offers examples of good practices for innovation procurement within different sectors and with different procurement procedures and ready-to-use template tender documents for conducting innovation procurements. The templates include detailed instructions to perform innovation procurement (including PCPs). Instructions include the use of practical examples from the over 150 innovation procurements procedures implemented in the country.
- In the UK, some **template tender documents** for innovation procurement are available for free in some different sectors, but they have not been made mainstream or centralised. They are created for a specific sector or use-case (although are free to be used beyond that use-case), such as template documents for procuring innovation in the defence sector from DASA¹⁴⁰, or a standard innovation process flow and documentation from CivTech Scotland¹⁴¹, or standard templates and contracts for innovation procurement for London Boroughs, developed by LOTI¹⁴². These templates are usable by any public procurers across the UK, but they have not become mainstream across all procurement types, or widely disseminated by the Cabinet Office or Government Commercial Function.

4.9.7. Coordination of innovation procurements

This sub-indicator reflects on whether the government or another public institution (e.g. innovation procurement competence centre, public procurement office) pre-approves innovation procurement procedures and/or coordinates the implementation of innovation procurements in the country. **Only 3 countries (FI, NO, SE) offer either pre-approval, or coordination or both types of support to public procurers. Compared to the previous benchmarking, the number of the countries coordinating the implementation of innovation procurements has remained the same, but there has been a change in the countries, as in Lithuania, there is no more coordination available.** As a consequence, the **European average value for the sub-indicator "innovation procurements" decreased from 6.7% to a mere 5.6%.** Pre-approval and coordination activities are also still limited: they are not available for all types of innovation procurement, typically also not available for scaling up innovation procurements or for implementing innovation procurements in collaborating with procurers from other countries or with EU financing.

Table 45. Evidence and score on coordination of innovation procurements in each country

Coordination	FI	NO	SE
Government (itself or through an officially appointed entity e.g. competence centre) pre-approves and/or coordinates the implementation of innovation procurements nationally/regionally	√	√	√
Government pre-approves and/or coordinates the implementation of innovation procurements implemented with EU financing			
Pre-approval and/or coordination is offered free of charge to procurers	√	√	√
Pre-approval and/or coordination is applicable to all types of innovation procurement			
Pre-approval and/or coordination is applicable to all public procurers in the country	√	√	√
Pre-approval and/or coordination for innovation procurements is implemented at large scale			√
Total score	50%	50%	67%

Source: Author's elaboration

¹³⁹ <https://innovativeanskaffelser.no/>

¹⁴⁰ <https://www.gov.uk/government/publications/defence-and-security-accelerator-dasa-open-call-for-innovation/open-call-competition-document>

¹⁴¹ <https://www.civtech.scot/process>

¹⁴² <https://loti.london/resources/innovation-in-procurement-toolkit/>

For instance:

- In Finland, **KEINO**, the national Competence centre for sustainable and innovative public procurement, does not provide pre-approval of procurement procedures but facilitates several so-called **buyer groups**¹⁴³, consisting of public purchasing authorities with common needs which are interested to pursue collaborative / joint purchasing. The buyer groups aim at speeding up the development and implementation of solutions and methods of scaling up best practices and innovative solutions. The buyer groups provide a platform for cooperation and peer support for procurement experts and organise continuous cooperation with the suppliers and developers of innovative goods, services and solutions. In this way KEINO acts as a **coordinator** for the implementation of innovation procurements in the country, but not internationally yet. When doing so, KEINO encourages the buyer's groups to use the national standard government contract clauses which contain innovation-friendly purchasing conditions (e.g. regarding allocation of IPR ownership to the contractors). Buyer groups are still expanding as they don't cover all possible sectors and themes yet.
- In Norway, the **Agency for Public and Financial Management (DFØ)** provides standardised templates for Pre-Commercial Procurements (PCPs) and other types of innovation procurements. The national LUP / innovation procurement programme coordinates the formation of buyers' groups that implement joint or coordinated innovation procurements, including PCPs, and encourages them to use the templates.
- In **Sweden**, the **central website Arena for innovation procurement (Afori)**¹⁴⁴ organises **coordination** activities to achieve large scale multiplier effects with innovation procurements¹²⁶. Such client/buyer networks, aka pre-procurement purchasing groups, aim to gather buyers with the same need to challenge the market together. The networks are mainly working in early stages and with preparations for innovation procurement or innovation friendly public procurement. Often buyer network starts on the initiative of procuring authorities and government authorities such as Swedish Energy Agency, or the Swedish environmental Protection Agency. The authorities are also financing the networks. Example of buyer networks include BeKoGr, BeBo and BeLok.

4.9.8. Networking between procurers

12 countries (AT, BE, DK, EE, FI, DE, IE, NL, NO, PT, SE, UK) have put in place networking activities for public procurers – such as events, platforms or meetings – to facilitate experience sharing on innovation procurement between procurers. This is **one country less than in the previous benchmarking**. As a result, the **European average score for the sub-indicator "networking between procurers" is 27.2%, slightly lower than the 30% in the previous benchmarking**. Only 8 countries (AT, EE, FI, DE, IE, NL, PT, SE) have networking activities that are open to all procurers in their country; only 4 countries (BE, NL, NO, PT) organise networking activities with the involvement not only of national but also of foreign procurers, thus giving a European or international dimension to the networking; only 6 countries (AT, BE, FI, DE, NL, NO) organise networking activities to stimulate all types of innovation procurement; and only 4 countries (AT, DK, FI, SE) address how to implement innovation procurements at large scale through their networking activities.

Table 46. Evidence and score on networking between procurers in each country

Networking	AT	BE	DK	EE	FI	DE	IE	NL	NO	PT	SE	UK
Government facilitates experience sharing and networking between procurers in other cities/regions, sectors, countries	√	√	√	√	√	√	√	√	√	√	√	√
Connection with relevant EU / international networking initiatives		√						√	√	√		

¹⁴³ <https://www.hankintakeino.fi/en/node/34>

¹⁴⁴ <https://www.afori.se/>

Networking is offered free of charge to procurers	√	√	√	√	√	√	√	√	√	√	√	√
Networking covers all types of innovation procurement	√	√			√	√		√	√			
Networking is available to all public procurers in the country	√			√	√	√	√	√		√	√	
Networking is addressing how to implement innovation procurements at large scale	√		√		√						√	
Total score	83%	67%	50%	50%	83%	67%	50%	83%	67%	67%	67%	33%

Source: Author's elaboration

Interesting country examples for networking of public procurers are:

- In **Austria**, at least once a year, one of the (currently) five gamechanger partners of the **IÖB** hosts a networking event to network gamechanger procurers. The **PPPI competence centre** organizes keynote speakers and knowledge exchange on current innovation procurement projects. The **Austrian Energy Agency** organises workshops to match local, regional implementers¹⁴⁵ with each other. In addition, there are several workshops and events with the winners of the yearly **IÖB Calls**. A new initiative was also started in 2023, called **Beschaffungstrendst**¹⁴⁶. It is a networking platform for public procurers in Austria. The **IÖB service centre** operates the platform with the aim of identifying new technologies, trends, and developments for public procurement at an early stage together with those responsible for procurement and preparing them for public purchasing. However, the competence centre does not undertake systematic activities to network Austrian procurers with procurers from other countries to prepare for EU funded innovation procurements.
- In the **Netherlands**, **PIANoo**¹⁴⁷, the national competence centre, brings together experts within the "Innovation Procurement" expert network. It regularly organises workshops and events, however mostly with the purpose of informing Dutch procurers about new aspects concerning innovation procurement, not so much with the intention to network Dutch procurers to identify common needs and foster collaboration between different procurers on innovation procurement to create scale-up effects. Under the impulse of **ZENIT**, the region North Rhine-Westphalia signed a cooperation agreement with the Netherlands and the Flemish region (The Netherlands) to network public procurers of their different countries to stimulate cross-border innovation procurements. This agreement is still in place.
- In **Finland**, **KEINO** also ensures networking between procurers by organizing seminars to encourage discussions and experience exchange on common procurement topics, such as **KEINO Competence Centre Annual Seminar on Effectiveness of Innovative Public Procurement**¹⁴⁸. In addition, **Procurement Finland Autumn Seminar 5/10/2023**¹⁴⁹ was organised by the Ministry of Finance as part of implementation of the national public procurement strategy. **KEINO** networks individual procurers at national level to create purchasing networks and cooperates with the national central purchasing bodies to explore opportunities to achieve large scale multiplier effects with innovation procurements. However, networking is still mostly oriented to interconnect Finnish procurers with each other, not yet much to make connections with procurers from other countries.

4.9.9. One-stop-shop and competence centres

¹⁴⁵ <https://www.klimaundenergiemodellregionen.at/>

¹⁴⁶ <https://www.ioeb.at/beschaffungstrends>

¹⁴⁷ <https://www.pianoo.nl/en>

¹⁴⁸ <https://www.hankintakeino.fi/fi/ajankohtaista/tapahtumat/sosiaali-ja-terveysalan-hankinnoilla-yhteiskunnallista-vaikuttavuutta-ja>

¹⁴⁹ <https://vm.fi/tapahtumat/2023-10-05/hankinta-suomi-syysseminaari-2023>

12 countries (AT, BE, DK, FI, DE, IT, LT, NL, NO, PT, ES, SE) have a one-stop-shop where public procurers can access all capacity building and assistance measures for innovation procurement, which is typically provided by the national competence centre on innovation procurement. This is three more countries than in the previous benchmarking. As a result, **the European average for this sub-indicator increased slightly from 23.3% to 27.2% compared to the previous benchmarking.**

The 5 highest ranking countries (AT, FI, DE, NL and SE) all score 83% for this sub-indicator. However, pain points are still that, except in Finland, not a single other country has a competence centre that is equipped to mainstream innovation procurement at a large scale, that in most countries the one-stop shop does not link its capacity building measures to those at EU/international level and that in some countries, the services offered by the one-stop-shop either do not cover all types/aspects of innovation procurement or are not open to all procurers in the country. As there are still 18 countries without a one-stop-shop, there is still a lot of work to do before all procurers across Europe will be able to benefit from having a well-equipped competence centre in their country.

Table 47. Evidence and score on one-stop-shop and competence centres in each country

One-stop-shop	AT	BE	DK	FI	DE	IT	LT	NL	NO	PT	ES	SE
Government offers a one stop-shop for public procurers to the above type of capacity building and/or assistance measures	√	√	√	√	√	√	√	√	√	√	√	√
The one-stop-shop is connected not only to the relevant national but also the relevant EU / international initiatives	√				√		√	√			√	√
The one-stop-shop is offered free of charge to public procurers	√	√	√	√	√	√	√	√	√	√	√	√
The one-stop-shop covers all types and aspects of innovation procurement	√	√		√	√	√		√	√	√		√
The one-stop-shop is available/applicable to all public procurers in the country	√		√	√	√		√	√	√	√		√
The one-stop-shop offers support to mainstream innovation procurement at large scale across the whole country				√								
Total score	83%	50%	50%	83%	83%	50%	67%	83%	67%	67%	50%	83%

Source: Author's elaboration

Interesting country examples of competence centres are:

- **Finnish KEINO** implements capacity building activities and assistance measures for innovation procurement since 2018. It is, thus, acting as an one-stop-shop for innovation procurement, and offers free guidance and information on strategic management of public procuring, developing public procurement competence and cooperation and networking in public procurement, with special emphasis on innovation procurement. KEINO has joined the European network of national competence centres for innovation procurement but is yet to scale up its efforts in helping Finnish procurers to benefit more from EU funding for innovation procurement.
- **PPPI Service Centre in Austria** is the key actor in the country providing capacity building activities and acting as one stop-shop/national competence centre for innovation procurement and hosting the central website.

4.10. Indicator 10 – Innovation friendly public procurement market

This indicator reflects to what extent the public procurement market of each country encourages the implementation of innovation procurement on a wide scale and results from the combination of two sub-indicators: (I) the use of specific techniques to foster innovation in public procurement and (II) the openness of the national procurement market to innovations from across the EU single market.

The score for the sub-indicators relied on the TED data and EU Single Market Scoreboard indicators.¹⁵⁰ The most recent 2022 data was used.

The following table presents the scores for the two sub-indicators and the aggregate scores for the Indicator “Innovation friendly public procurement market”. Based on the evidence collected, **Belgium (58%), France (57%), Finland (56%) and Switzerland (56%) – are the strongest overall performers**, while the European average for the indicator is 46%, which is a small increase of 2% in comparison with the previous benchmarking.

Table 48. Indicator 10: comparison of total scores in the previous (2020) and the current (2024) benchmarking

Country	Results from the current benchmarking (2024)			Results from the previous benchmarking (2020)		
	Total score Sub-Indicator I (Use of specific techniques to foster innovation in public procurement)	Total score Sub-Indicator II (Openness of the national procurement market to innovations from across the EU single market)	Aggregate score for Indicator 10	Total score Sub-Indicator I (Use of specific techniques to foster innovation in public procurement)	Total score Sub-Indicator II (Openness of the national procurement market to innovations from across the EU single market)	Aggregate score for Indicator 10
Austria	25%	60%	42%	24%	60%	42%
Belgium	42%	75%	58%	46%	60%	53%
Bulgaria	10%	70%	40%	12%	68%	40%
Croatia	31%	78%	54%	15%	72%	43%
Cyprus	8%	70%	39%	8%	46%	27%
Czech Republic	11%	71%	41%	13%	63%	38%
Denmark	22%	75%	48%	23%	73%	48%
Estonia	18%	74%	46%	19%	78%	49%
Finland	31%	80%	56%	39%	73%	56%
France	45%	69%	57%	45%	64%	55%
Germany	16%	60%	38%	17%	58%	38%
Greece	10%	63%	37%	12%	57%	34%
Hungary	25%	75%	50%	25%	71%	48%
Ireland	35%	66%	51%	39%	78%	59%
Italy	24%	60%	42%	28%	56%	42%
Latvia	13%	74%	44%	13%	71%	42%
Lithuania	14%	74%	44%	9%	78%	44%
Luxembourg	21%	62%	41%	23%	62%	43%

¹⁵⁰ http://ec.europa.eu/internal_market/scoreboard/performance_per_policy_area/public_procurement/index_en.htm

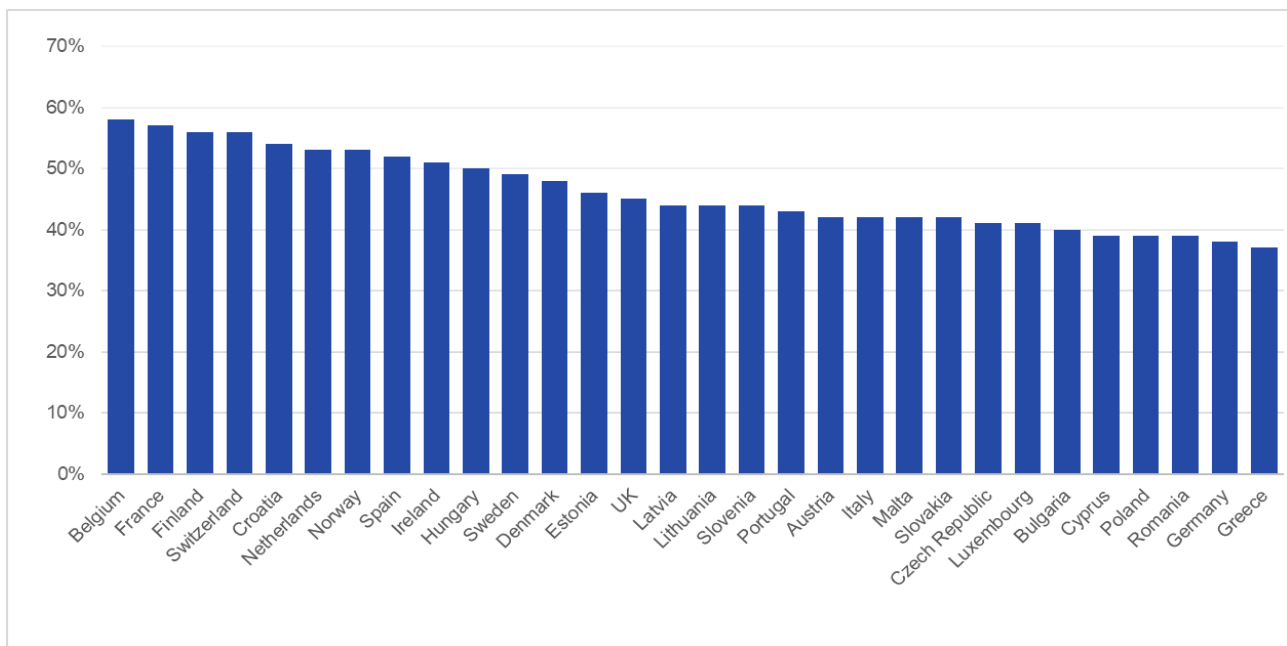
Malta	9%	75%	42%	13%	48%	31%
Netherlands	30%	76%	53%	33%	74%	53%
Norway	26%	80%	53%	34%	81%	57%
Poland	17%	61%	39%	20%	56%	38%
Portugal	15%	71%	43%	15%	51%	33%
Romania	10%	68%	39%	8%	52%	30%
Slovakia	8%	76%	42%	9%	77%	43%
Slovenia	21%	67%	44%	22%	61%	42%
Spain	32%	72%	52%	31%	65%	48%
Sweden	17%	80%	49%	14%	76%	45%
Switzerland*	49%	64%	56%	36%		n/a
UK	28%	61%	45%	49%	48%	48%
European average	22%	70%	46%	23%	65%	44%

Source: Author's elaboration. *EU Single Market Scoreboard data was not available for Switzerland in the past. For 2024, this data was calculated using the same methodology as for the other countries covered by the scoreboard

The European average for Indicator 10 is 46% (i.e. below 50%), which means that, on average, **national public procurement market across Europe are still not even half as innovation-friendly as they could be** in the ideal situation where they would use all possible means to do so. There are two reasons for this disappointing performance:

- **There is a massive underutilisation of techniques that can foster innovation in public procurement:** The European average for the sub-indicator I is 22%, which means that techniques that welcome innovators and innovative solutions are used in only 22% of public procurements.
- **National public procurement markets are not open enough to innovations:** The European average for sub-indicator II is 70%, which is still below the 79.4% satisfactory level set out in the EU Single Market Scoreboard, which means that the level of transparency and the level of competition on public procurement markets across Europe is still too low to give innovative solutions a fair chance to enter the market.

Figure 21. Indicator 10 “Innovation friendly public procurement market” – overall country ranking



Source: Author's elaboration

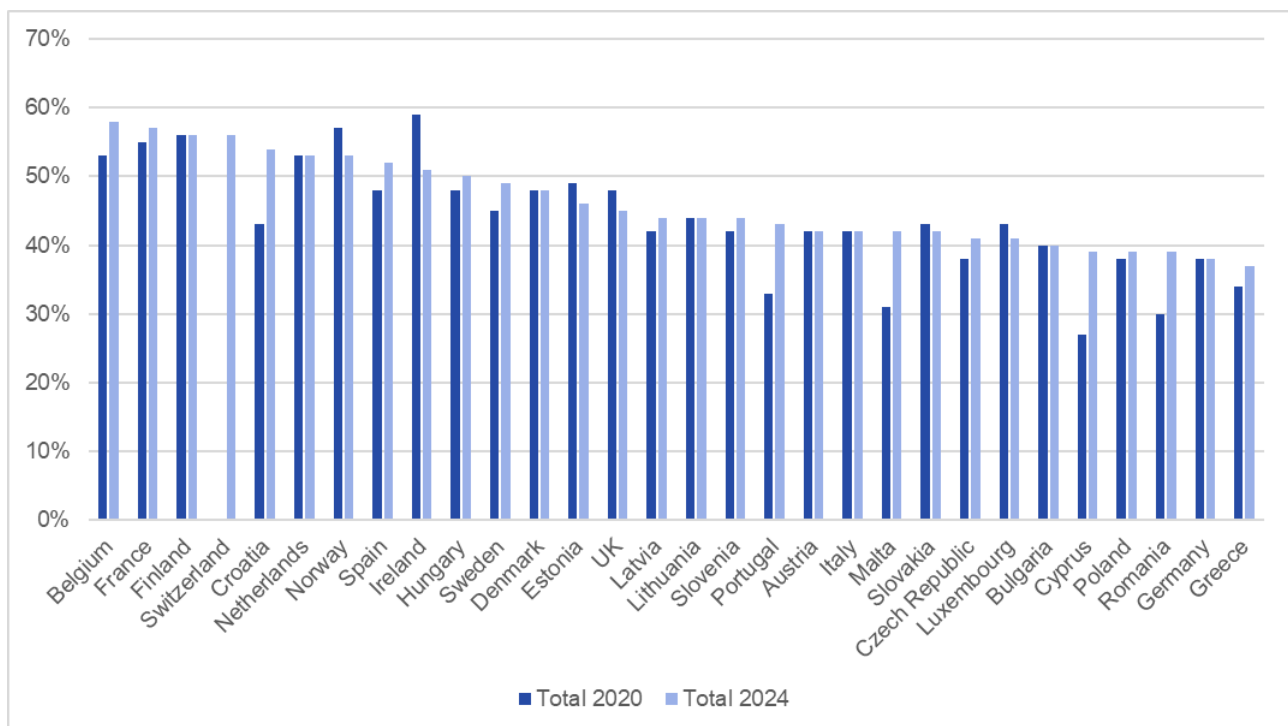
There are three groups of countries:

- The **4 best performing countries with the most innovation friendly public procurement market are Belgium (58%), France (57%), Finland (56%) and Switzerland (56%)**, but even they still have a lot of work to do to improve the innovation friendliness of their public procurement market as they score only slightly above 55% on Indicator 10.
- **16 countries with the least innovation friendly public procurement market are Greece (37%), Germany (38%), Romania (39%), Cyprus (39%), Poland (39%), Bulgaria (40%), Luxembourg (41%), Czech Republic (41%), Austria (42%), Portugal (43%), Malta (42%), Slovakia (42%), Italy (42%), Slovenia (44%), Lithuania (44%) and Latvia (44%)**, that all score below 45% on Indicator 10.
- The remaining 10 countries (HR, NO, NL, IE, ES, DK, HU, SE, EE, UK) are in the middle, hovering around 50% performance on Indicator 10.

Overall, **all countries still need to do a major effort to improve the innovation friendliness of their public procurement market**, as there is not a single country that is a strong or solid performer yet, meaning which scores respectively above 75% or above 65% on Indicator 10.

The following graph shows the comparison of the country ranking in the previous (2020) versus the current (2024) benchmarking.

Figure 22. Indicator 9. comparison of total scores in the previous (2020) and current (2024) benchmarking



Source: Author's elaboration

Compared to the previous benchmarking, there is a **small increase in the innovation friendliness of national public procurement markets across Europe**, namely a 2% increase in the European average score for Indicator 10 (from 44% to 46%).

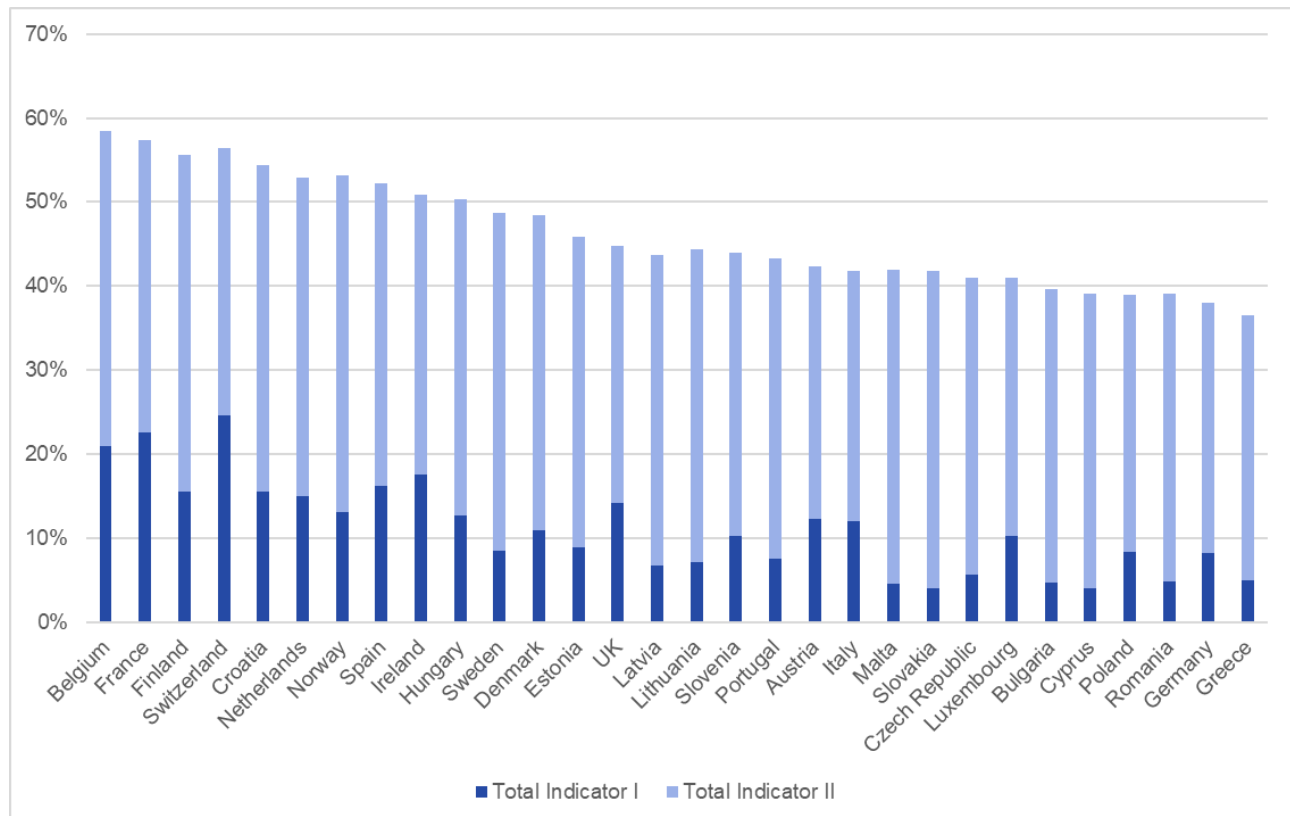
- The improvement is due solely to a small increase in the openness of national procurement markets to innovations. It is however only **thanks to improvements in the level of transparency** (from 45% to 58%). The **level of competition decreased** (from 84% to 82%) and this happened especially in the 27 EU Member States.
- There was also a **small drop in the use of specific techniques to foster innovation in public procurement** (from 23% to 22%).

A clear reason for this slow progress is that both sub-indicators are strongly linked to the legal framework for public procurement. There have been no revisions of EU public procurement rules between the previous and current benchmarking, and as a result, Member States also did not take significant action on their own to increase the innovation friendliness of their public procurement market. Although between the previous and the current benchmarking, there

have been plenty of EU soft measures that tried to encourage innovation in public procurement (EU guidance, webinars, trainings, etc.), there has been only very little noticeable improvement in the innovation friendliness of actual public procurements that were really implemented across Europe. **It is, therefore, important that in the upcoming revision of the EU public procurement directives, the EU enforces more boldly the use of specific techniques to boost innovation in public procurement as well as include new measures to increase the level of competition and transparency.**

The following graph shows the country ranking with the breakdown of the scores for the different countries over the two sub-indicators I and II:

Figure 23. Indicator “Innovation friendly public procurement market” – breakdown of the scores across sub-indicators



Source: Author's elaboration

This graph clearly shows that there is still a lot of work to do and that both the use of techniques to foster innovation in public procurement and the openness of the national public procurement market are key to obtain an innovation-friendly public procurement.

The following sections illustrate in more detail the progress that the different countries have made on both sub-indicators since the previous benchmarking.

4.10.1. Sub-indicator I - Use of specific techniques to foster innovation in public procurement

The European average for sub-indicator I is 22%. This low average is due to continued underutilisation of all techniques to foster innovation in public procurement: too limited use of preliminary market consultations, value for money award criteria and innovation friendly IPR conditions and very low acceptance of variant offers by public buyers.

The top performing countries on sub-indicator I are Switzerland (49%), France (45%) and Belgium (42%), which score above 40%, almost two times higher than the European average (22%).

Compared to the previous benchmarking the European average for sub-indicator I decreased (from 23% to 22%). While there was a small increase in the use of value for money award criteria (from 42% to 44%) and innovation friendly

IPR conditions (from 38% to 40%), there was also a drop in the use of preliminary market consultations (from 9% to 1.39%) and variant offers (from 4% to 3%).

In general, all countries still need to increase their efforts, as the use of all techniques is still too low.

Table 49. Indicator 1 – sub-indicator I: breakdown of total scores

Country	a. IPR default regime	b. Value for money award criteria	c. Acceptance of variants offers	d. Preliminary market consultation	Total sub-indicator I
Austria	25%	70%	4%	0.03%	25%
Belgium	100%	63%	5%	0.3%	42%
Bulgaria	25%	13%	0%	0%	10%
Croatia	25%	99%	0%	0%	31%
Cyprus	25%	6%	1%	0.22%	8%
Czech Republic	25%	19%	0%	0.7%	11%
Denmark	25%	57%	0%	5.04%	22%
Estonia	50%	20%	1%	0%	18%
Finland	75%	42%	1%	5.55%	31%
France	75%	92%	14%	0.01%	45%
Germany	25%	34%	7%	0.05%	16%
Greece	25%	15%	0%	0%	10%
Hungary	50%	51%	0%	0%	25%
Ireland	50%	85%	5%	0.99%	35%
Italy	25%	60%	10%	2.02%	24%
Latvia	25%	28%	1%	0%	13%
Lithuania	50%	7%	0%	0.2%	14%
Luxembourg	50%	30%	2%	0.09%	21%
Malta	25%	8%	3%	0.42%	9%
Netherlands	25%	79%	1%	14.66%	30%
Norway	25%	75%	1%	4.3%	26%
Poland	25%	42%	0%	0%	17%
Portugal	25%	35%	0%	0%	15%
Romania	25%	14%	0%	0.01%	10%
Slovakia	25%	4%	0%	2.87%	8%
Slovenia	50%	32%	0%	0%	21%
Spain	50%	78%	1%	0.03%	32%
Sweden	50%	17%	1%	0.06%	17%
Switzerland*	75%	94%	24%	4%	49%
UK	50%	47%	17%	0%	28%
European average	40%	44%	3%	1.39%	22%

Source: Author's elaboration

a. Use of an IPR regime that leaves IPR ownership by default with the suppliers

13 countries (BE, CH, EE, ES, FI, FR, HU, IE, LT, LU, SE, SI, UK) **are promoting a default IPR allocation regime that aims to balance the need to obtain the best value for money for the public procurer, while promoting innovation and commercialisation of the innovations by the contractors.** As explained in chapter 2 on the policy framework benchmarking methodology, this is achieved by leaving IPR ownership rights (for all types of IPR) with the supplier and at the same time allocating usage rights to the public procurer.

17 countries have not adopted such a default IPR allocation regime yet: They typically have not defined any IPR allocation provisions in public procurement and are silent about the issue of IPR allocation in general, also in guidance.

As a result, most European countries are still quite far from the situation in Europe's other major trading partners (US, Canada, Australia, Japan, Russia etc.), which already have such a default IPR regime in their public procurement legislation (which would correspond to a score of 100%).

The European average for the sub-indicator "IPR default regime" is 40%, which is a small increase from the previous benchmarking (38%). This is thanks to the increases in scores for the Netherlands, Sweden and Lithuania. The Netherlands adapted its standard general government contract clauses that now leave, by default, ownership of some IPR rights (i.e. industrial property rights) with suppliers and retain usage rights for public buyers. Sweden and Lithuania issued guidance that recommend public buyers to leave IPR ownership for all types of IPR with suppliers and retain usage rights for the public buyer.

The different countries can be clustered in a number of groups. Table 50 below shows that the **best performing countries** are Belgium (100%), Finland, France and Switzerland (75%).

Table 50. Frequency of using an innovation friendly IPR regime

Features of the IPR regimes	Country allocation and score
IPR default regime that leaves the ownership of IPRs generated by suppliers with those suppliers and allocates usage rights to public procurers in public procurement law	BE (100% score)
IPR default regime that leaves the ownership of IPRs generated by suppliers with those suppliers and allocates usage rights to public procurers in general terms and conditions for government contracts	CH, FI, FR (75%)
IPR default regime that leaves the ownership of IPRs generated by suppliers with those suppliers and allocates usage rights to public procurers in official guidelines	EE, HU, IE, LT, LU, SI, SE, ES, UK (50%)
No or only partial IPR default regime that leaves ownership of IPRs generated by suppliers with those suppliers and allocates usage rights to public procurers in public procurement law, guidelines of general terms and conditions for government contracts	AT, CY, CZ, DE, DK, EL, HR, IT, LV, MT, NL, NO, PL, PT, RO, SK, BG (25%)
IPR default regime that allocates the ownership of all IPR rights to the public procurer	NA (0%)

Source: Author's elaboration

13 countries promote a default IPR regime that allocates IPR ownership rights for all types of contracts and all types of IPR to the contractors and usage rights to the public procurer:

- 1 country (BE) defines innovation friendly default IPR regime in its national public procurement law. The default IPR allocation regime applies automatically unless otherwise specified in the tender documents / contract.
 - In Belgium, the law assigns both the default rights for the procurer and for the suppliers. The national legislation on public procurement defines that by default IPR ownership remains with the suppliers and the public procurer obtains usage rights, except in exceptional duly justified cases where the public procurer may deviate from this default regime. The exceptional cases are defined in the law as those cases where the supplier should not be allowed to commercialise the results of the public procurement (e.g. because of confidentiality reasons, for instance if the public procurement concerned an internal HR evaluation) or the supplier would not be able to commercialise the results of the public procurement in any case (e.g. because the public procurement concerned the development of a logo/emblem that is characteristic/unique for the public procurer). To promote the default IPR allocation regime, the Belgian government has also issued guidelines that explain how to implement it in practice.

- Spain is a special case, as legislation is still evolving: the older national procurement law for public authorities still leaves IPR ownership for products with suppliers and for services with procurers (keeping usage rights for procurers), while the newer revised procurement law for utilities already leaves IPR ownership for all contracts with suppliers. Therefore, Spain gains only half the score (50%) on this sub-indicator, as only guidance documents are up to date on this topic today. As large procurers in Spain have announced to switch to an approach that leaves IPR ownership with suppliers, a discussion about updating the general terms and conditions as well has been started.
- 3 countries (CH, FI, FR) define innovation friendly default IPR regime in general terms and conditions for government contracts. This default IPR allocation regime applies automatically when the general terms and conditions for government contracts are referred to in the tender documents / contract, unless the public procurer specifically deviates from them in its tender documents.
- 9 countries (EE, HU, IE, LT, LU, SE, SI, ES, UK) define innovation friendly default IPR regime in national guidelines for public procurement or innovation procurement. The guidelines in mentioned 9 countries recommend public procurers to apply this type of IPR allocation regime in their tender documents / contract.

In the remaining 17 countries (AT, CY, CZ, DE, DK, EL, HR, IT, LV, MT, NL, NO, PL, PT, RO, SK, BG), the national public procurement system (the public procurement law, guidelines and general terms and conditions for government contracts) does not define a default IPR allocation regime. A special case is the Netherlands, where the public procurement law does not define a default IPR allocation regime, but the general terms and conditions for central government contracts define that by default industrial property rights remain with the contractor and only copyright rights remain with the public procurer, unless otherwise specified in the tender documents. As this only implements innovation friendly IPR regime by default for industrial property rights but not for other types of IPR rights, the Netherlands only scores 25% on this sub-indicator.

Clearly, **since the previous benchmarking, only a few individual countries have taken action to implement the recommendations in the 2021 EU guidance notice on innovation procurement** to mainstream the use of innovation friendly IPR conditions that leave IPR ownership with suppliers, unless in exceptional situations where the public procurer can justify that it has overriding public interests to keep IPR ownership that justify prohibiting commercialisation. However, procurers are often still ignoring / deviating from the default IPR regime that is promoted in those countries as there are no legal restrictions on deviating and no justification required for doing so (e.g. in Sweden, even in the presence of active guidance and training to procurers on innovation friendly IPR handling, still 94% of public procurements allocate all IPR rights, including IPR ownership, to the public procurers¹⁵¹). In most countries, the public procurement system is still silent about the issue of IPR allocation in public procurement. The responsibility to allocate IPRs in public procurements in a way that stimulates innovation and the responsibility to allocate IPRs in compliance with applicable IPR and copyright laws is left with the public procurer himself. However, as many public procurers are not well-informed and skilled in IPR issues, this approach is prone to errors and disputes between public procurers and suppliers. Therefore, **in the upcoming revision of the EU public procurement rules, the EU needs to take action:**

- To ensure that public procurement legislation spells out that for **all public procurements the tender documents must clearly define the applicable IPR rights and obligations of both parties** and that this allocation IPR rights **must be done in compliance with applicable national, European and International legislation on IPR, copyright and the protection of trade secrets.**
- To **enforce that the IPR allocation clauses in public procurements do not unnecessarily hamper commercialization**, i.e. by introducing the default regime to leave IPR ownership with contractors unless the procurer has justified reasons to deviate from this, and to provide legal certainty to IPR unsavvy procurers by clearly spelling out in legislation 'how' to implement this default IPR regime in a legally correct way.
- **To clarify cross-border IPR aspects in public procurement:** Firstly, to clarify which country's legal framework determines the IPR allocation regime in case of public procurements with either cross-border vendor consortia (with vendors from different EU countries) or with cross-border award of contracts (procurer from different EU country than contractor). Secondly, to ensure that IPR clauses in public procurements do not discriminate against companies that have protected IPR in another EU country than the procurer's country or at EU level.

¹⁵¹ <https://www.tn.se/naringsliv/23652/ny-trend-myndigheter-snuvar-foretagen-pa-aganderatten/>

b. Use of value for money award criteria instead of lowest price only award criteria

As reported in the table 49. above, the European average for the use of value for money as award criterion in public procurements published on TED is 44%. This is far below the "satisfactory" level of 80% as defined in the EU Single Market Scoreboard, but it is a small increase in comparison with the previous benchmarking (42%).

The best performing countries are Croatia (99%), Switzerland (94%), France (92%) and Ireland (85%). These are also the only countries that perform above the satisfactory level. They are followed by the Netherlands (79%), Spain (78%), Norway (75%) and Austria (70%), that are on their way to reach the satisfactory level. **All those countries limit the use of lowest price only award criteria via their public procurement legislation.** For example, Croatia, Switzerland, France and Austria have defined an obligation to use value for money criteria within the Public Procurement Act (except for standard products / services for which the quality does not vary between different providers). Ireland, the Netherlands and Spain use an approach that makes the use of lowest price only award criteria the exception, by requiring in their public procurement legislation that public buyers publish a justification when they use lowest price only award criteria. Spain also defines in their public procurement legislation a list of cases in which value for money-based award criteria must be used. The Norwegian procurement rules discourage the use of lowest price only award criteria by requiring that when choosing an offer on the basis of the lowest cost, the procurer must base the choice on a cost-effectiveness calculation, such as a calculation of life cycle costs.

The remaining 22 countries, which do not limit the use of lowest price only award criteria through their national public procurement legislation, have significantly lower uptake of value for money-based award criteria. They still need to make large efforts to increase the use of value for money award criteria instead of awarding public procurement contracts based on lowest price considerations only.

Only a few individual countries have implemented in their national public procurement legislation the ambition of the 2014 EU public procurement directives to mainstream the use of value for money award criteria, but those countries that did so see a much bigger uptake of such criteria that stimulate the development and deployment of innovative solutions. Therefore, **in the upcoming revision of the EU public procurement directives, the EU should enforce more boldly the use of value for money award criteria and limit the cases in which lowest price only criteria can be used.**

c. Frequency of allowing the submission of variant offers

Companies suffer when tender specifications prescribe the solution to be delivered, as this blocks suppliers with alternative innovative solution approaches from making offers. Allowing the submission of variant offers can overcome this issue. Therefore, this sub-indicator tracks how often public procurers allow the submission of variant offers.

Table 49. above show that **the European average of allowing the submission of variant offers has decreased from 4% to 3%**, which means that in only 3% of all public procurements published on TED public buyers allowed suppliers to submit variant offers. This shows the very limited use that is made of allowing variant offers across Europe.

Table 51. below shows how the results were calculated for the different countries:

Table 51. Frequency of allowing the submission of variant offers

Country	Number of CfTs* published in TED	Number of CfTs* published in TED allowing the use of variant offers	Share of CfTs* published in TED allowing the use of variant offers
Austria	3812	140	4%
Belgium	6698	314	5%
Bulgaria	2929	0	0%
Croatia	2565	0	0%
Cyprus	481	4	1%
Czech Republic	6329	15	0%
Denmark	2860	13	0%
Estonia	1472	12	1%

Finland	5028	74	1%
France	44020	6112	14%
Germany	46895	3180	7%
Greece	3748	7	0%
Hungary	3047	11	0%
Ireland	2473	121	5%
Italy	12319	1177	10%
Latvia	2299	18	1%
Lithuania	3489	5	0%
Luxembourg	1259	26	2%
Malta	731	22	3%
Netherlands	6262	69	1%
Norway	5230	29	1%
Poland	25015	18	0%
Portugal	3850	14	0%
Romania	7602	5	0%
Slovakia	2053	0	0%
Slovenia	2262	5	0%
Spain	19265	215	1%
Sweden	8906	47	1%
Switzerland	3913	927	24%
UK	124	21	17%

*CfTs: Calls for Tender

Source: Author's elaboration

There are three groups of countries:

- The **best performing countries** are Switzerland (24%), UK (17%), France (14%) and Italy (10%). These are the only countries where 10% or more of the call for tenders allowed submission of variant offers.
- In 14 countries (AT, BE, CY, EE, FI, DE, IE, LV, LU, MT, NL, NO, ES, SE) less than 10% of the call for tenders allowed the submission of variant offers.
- 12 countries (BG, HR, CZ, DK, EL, HU, LT, PL, PT, RO, SK, SI) scored 0% as there were no call for tenders at all that allowed the submission of variant offers.

There are only 4 countries that make substantive use of variant offers, the rest are still underusing this possibility.

In addition, innovative companies do not only suffer from over specified tender documents that prevent them from competing for new procurement procedures, but they also suffer from not being able to get into ongoing procurements (especially in large, long-term contracts). Variant offers alone are not sufficient to address these issues comprehensively. Therefore, to get a more complete picture of different mechanisms that open up procurements to innovative solutions, it is recommended that the next benchmarking exercise would also track under sub-indicator I to what extent the national public procurement legislation stimulates the use of:

- **functional specifications** (specifications that do not describe in detail the solution that needs to be delivered, but the problem that needs to be solved and list the minimum set of functionalities and/or performance levels that offered solutions need to provide), and
- **value engineering** (technique that financially incentivises suppliers to improve delivered solutions during contract execution, which encourages the introduction of new innovative solutions during ongoing contracts).

These techniques are not new, but despite being promoted through EU training and guidance already for years, they are still underused in Europe. Therefore, in the upcoming revision of the EU public procurement directives, **the EU should enforce that public procurers use different ways to facilitate the market introduction of innovative solutions:**

- **using functional specifications wherever possible** (as this is the most direct and easy-to-use approach to write tender specs that are open to any type of solution), and
- **using variants where functional specifications are not possible** (to allow submission of offers with alternative solutions even when the procurer described one specific solution in its tender specs)
- **using value engineering contract clauses wherever possible for public procurements above the EU thresholds** (to encourage suppliers to introduce innovative solutions during ongoing public procurements) and already **doing an up-front value engineering study for the large procurements e.g. above 5Mio EURO**¹⁵² (by checking as procurer during the phase of market research and preparation of tender specifications how to best formulate the required functionalities defined in functional specs to optimize the use of value engineering in order to obtain the highest value for money out of the procurement).

d. Use of preliminary market consultations

Transparent EU wide publication of a preliminary market consultation is an important tool for public buyers to identify innovative solutions that could be delivered by the market and to verify how to phrase tender specifications in such a way that they don't exclude suppliers with innovative solutions from applying to the upcoming procurement. Therefore, this sub-indicator tracks how often public procurers use preliminary market consultations.

On average, across Europe, only 0.97% of the prior information notices and periodic information notices (PINs) published in TED were announcing an upcoming preliminary market consultation.

The 5 **best performing countries** are the Netherlands (14.66%), Finland (5.55%), Denmark (5.04%), Norway (4.3%) and Switzerland (4%).

16 countries publish a very low amount of PINs that announce preliminary market consultations (AT, BE, CY, CZ, FR, DE, IE, IT, LT, LU, MT, SE, SK, ES, RO, PL).

In 9 countries (BG, HR, EE, EL, HU, LV, PT, SI, UK), there was not a single PIN that announced a preliminary market consultation.

Despite the fact that the EU introduced an easy-to-use and transparent mechanism to announce upcoming preliminary market consultations (using PINs), it remains seriously underutilised. The benchmarking noticed that there are public procurers that use an incorrect type of notice (e.g. a contract notice) to announce preliminary market consultations or that use the correct type of notice but in a wrong way (e.g. publishing PINs for market consultations after the date on which the market consultation took place). This hampers the ability of innovators around Europe to find and participate in preliminary market consultations. Therefore, **in the upcoming revision of the EU public procurement directives, the EU should enforce that public procurers correctly use the dedicated PIN notice for announcing upcoming preliminary market consultations.**

¹⁵² To optimise the efforts needed against the benefits it can bring, value engineering studies are typically done for the largest size procurements (the 20% procurements that consume 80% of the total procurement budget) as well as for some smaller size procurements where value engineering could bring significant added value (e.g. procurements for strategic technologies / sensitive sectors, trailblazer type procurements that will have an impact on other procurements afterwards etc.).

Table 52. Frequency of using preliminary market consultations

Country	Number of PINs published in TED	Number of PINs published in TED announcing a preliminary market consultation	Share of PINs published in TED announcing a preliminary market consultation
Austria	267	1	0.03%
Belgium	187	13	0.3%
Bulgaria	293	0	0%
Croatia	5	0	0%
Cyprus	1	1	0.22%
Czech Republic	295	38	0.7%
Denmark	456	127	5.04%
Estonia	18	0	0%
Finland	668	233	5.55%
France	345	4	0.01%
Germany	1921	19	0.05%
Greece	16	0	0%
Hungary	6	0	0%
Ireland	219	21	0.99%
Italy	699	231	2.02%
Latvia	35	0	0%
Lithuania	37	6	0.2%
Luxembourg	36	1	0.09%
Malta	14	1	0.42%
Netherlands	1273	853	14.66%
Norway	807	206	4.3%
Poland	1250	1	0%
Portugal	171	0	0%
Romania	365	1	0.01%
Slovakia	115	48	2.87%
Slovenia	6	0	0%
Spain	2117	6	0.03%
Sweden	540	5	0.06%
Switzerland	1	1	4%
UK	3	0	0%

Source: Author's elaboration

4.10.2. Sub-indicator II - Openness of the national public procurement market to innovations from across the EU single market

The European average for sub-indicator II is 70%, which is still below the 79.4% "satisfactory" level calculated based on the satisfactory levels of all the relative sub-indicators, as defined in the EU Single Market Scoreboard.

The **top performing countries**, which are also the only ones exceeding the satisfactory level, are Finland, Norway and Sweden, all scoring 80%.

Compared to previous benchmarking, there is a **small increase in the openness of national public procurement markets to innovations from across Europe** (from 65% to 70%). However, this is a mixed result, because the increase is only due to an improvement in the level of transparency of national public procurement markets (from 45% to 58%). The level of competition across the 30 national public procurement markets decreased (from 84% to 82%) and this **drop in the level of competition happened most intensively in the 27 EU Member States** (to a lesser extent in the UK, Switzerland and Norway).

Table 53. Indicator 10 - sub-indicator II: scores

Country	b. Level of transparency	a. Level of competition	Total Sub-indicator II
Austria	38%	82%	60%
Belgium	63%	87%	75%
Bulgaria	68%	72%	70%
Croatia	69%	87%	78%
Cyprus	68%	73%	70%
Czech Republic	68%	74%	71%
Denmark	64%	86%	75%
Estonia	70%	79%	74%
Finland	69%	92%	80%
France	51%	88%	69%
Germany	35%	85%	60%
Greece	42%	84%	63%
Hungary	70%	81%	75%
Ireland	44%	89%	66%
Italy	40%	79%	60%
Latvia	70%	78%	74%
Lithuania	69%	80%	74%
Luxembourg	38%	86%	62%
Malta	61%	88%	75%
Netherlands	66%	86%	76%
Norway	69%	92%	80%
Poland	53%	70%	61%
Portugal	57%	86%	71%
Romania	69%	68%	68%

Slovakia	69%	83%	76%
Slovenia	66%	69%	67%
Spain	63%	81%	72%
Sweden	68%	93%	80%
Switzerland	34%	94%	64%
UK	36%	87%	61%
European average	58%	82%	70%

Source: Author's elaboration

a. Level of competition

For each country the score was calculated as an average of two different sub-criteria:

- (i) the percentage of EU tendered procurements with more than one bidder, and
- (ii) the percentage of EU tendered procurements in which a call for bids was used.

Table 54. Total sub-indicator "Level of competition": scores

Country	Sub-indicator (i) More than one bidder made an offer	Sub-indicator (ii) A call for bids was used	Total sub-indicator Level of competition
Austria	71%	93%	82%
Belgium	76%	98%	87%
Bulgaria	66%	77%	72%
Croatia	79%	94%	87%
Cyprus	84%	61%	73%
Czech Republic	58%	90%	74%
Denmark	77%	95%	86%
Estonia	68%	89%	79%
Finland	86%	97%	92%
France	78%	98%	88%
Germany	75%	94%	85%
Greece	68%	99%	84%
Hungary	67%	95%	81%
Ireland	79%	99%	89%
Italy	63%	95%	79%
Latvia	63%	92%	78%
Lithuania	66%	94%	80%
Luxembourg	77%	94%	86%
Malta	85%	91%	88%
Netherlands	81%	91%	86%
Norway	84%	99%	92%

Poland	48%	91%	70%
Portugal	76%	95%	86%
Romania	58%	77%	68%
Slovakia	70%	95%	83%
Slovenia	49%	89%	69%
Spain	72%	90%	81%
Sweden	87%	99%	93%
Switzerland	87%	100%	94%
UK	85%	88%	87%
European average	73%	92%	82%

Source: Author's elaboration

The European average for the sub-indicator "level of competition" is 82%, which is still significantly below the 92.5% satisfactory level set by the EU Single Market Scoreboard. **Switzerland and Sweden are the only two countries that reach a satisfactory level of competition in their public procurement market.**

- The **best performing countries** on the total sub-indicator "level of competition" are Switzerland (94%), Sweden (93%), Norway (92%) and Finland (92%).
- The **most lagging countries** on the level of competition are Poland (70%), Bulgaria (72%), Cyprus (73%) and Czech Republic (74%).

Compared to the previous benchmarking, the European average for the sub-indicator "level of competition" decreased (from 84% to 82%). This is due to a decrease both in the percentage of procurements with more than one bidder and in the percentage of procurements for which a call for bids was used.

- **The European average for the first sub-indicator (i) "percentage of EU tendered procurements with more than one bidder" decreased** compared to the previous benchmarking (from 75% to 73%). The **best performing countries** for this first sub-indicator (i) are Switzerland (87%), Sweden (87%), Finland (86%), UK (85%) and Malta (85%). Similar as in the previous benchmarking, **no country reaches the 90% "satisfactory" level** set in the EU Single Market Scoreboard.
- **The European average for the second sub-indicator (ii) "percentage of EU tendered procurements in which a call for bids was used" decreased** compared to the previous benchmarking (from 93% to 92%). The **best performing countries** for the second sub-indicator (ii) are Switzerland (100%), Sweden (99%), Norway (99%), Ireland (99%) and Greece (99%). For this sub-indicator (ii), **13 countries (BE, DK, FI, FR, EL, HU, IE, IT, NO, PT, SK, SE, CH) reach the 95% "satisfactory" level** set in the EU Single Market Scoreboard, which is **3 countries less in comparison with the previous benchmarking** (AT, DE, LU, MT, LT, PL and UK dropped below the satisfactory level, while HU, IT, NO and CH now reach the satisfactory level).

b. Level of transparency

For each country, the score was determined by taking into consideration 3 different sub-criteria:

- the publication rate, namely the value of procurement advertised on TED as a proportion of the national GDP
- the "no missing calls for bids information", namely the share of contract awards that do not miss the previous publication number of the related call for competition, and
- the "no missing buyer registration numbers", meaning the proportion of procedures where the registration number of the buyer was included.

Table 55. Total sub-indicator “transparency”: scores

Country	(i) Publication rate	(ii) No missing call for bids information	(iii) No missing registration number	Total sub-indicator Transparency
Austria	5%	96%	13%	38%
Belgium	4%	98%	86%	63%
Bulgaria	6%	98%	100%	68%
Croatia	8%	97%	100%	69%
Cyprus	4%	100%	99%	68%
Czech Republic	6%	99%	98%	68%
Denmark	9%	99%	87%	64%
Estonia	9%	100%	100%	70%
Finland	8%	100%	100%	69%
France	8%	98%	46%	51%
Germany	2%	99%	3%	35%
Greece	3%	100%	24%	42%
Hungary	9%	100%	100%	70%
Ireland	3%	97%	31%	44%
Italy	6%	99%	15%	40%
Latvia	11%	100%	100%	70%
Lithuania	6%	100%	100%	69%
Luxembourg	5%	100%	8%	38%
Malta	4%	98%	82%	61%
Netherlands	4%	99%	94%	66%
Norway	6%	100%	100%	69%
Poland	8%	99%	52%	53%
Portugal	2%	97%	73%	57%
Romania	9%	100%	99%	69%
Slovakia	6%	100%	100%	69%
Slovenia	5%	93%	99%	66%
Spain	4%	96%	90%	63%
Sweden	7%	98%	99%	68%
Switzerland	2%	100%	8%	34%
UK	1%	98%	0%	36%
European average	6% (5.7%)	99%	70%	58%

Source: Author's elaboration

The European average for the sub-indicator "level of transparency" is 58%, which is still significantly below the 66.33% satisfactory level set by the EU Single Market Scoreboard.

- The **best performing countries** on the total sub-indicator "level of transparency" are Estonia, Latvia and Hungary (all scoring 70%), followed closely by Norway, Finland, Lithuania, Croatia, Romania and Slovakia (69%) and Sweden, Czech Republic, Cyprus and Bulgaria (68). **These 13 countries reach the satisfactory level of transparency on their public procurement market.**
- The remaining 17 countries have a national public procurement market that is not satisfactorily transparent yet. The **most lagging countries** on the level of transparency are Switzerland (34%), the UK (36%), Austria (38%), Luxembourg (38%), Italy (40%), Greece (42%) and Ireland (44%).

Compared to the previous benchmarking, the European average for the sub-indicator "level of transparency" increased significantly (from 37.93% to 58%). This is due to an increase in both the publication rate and in the percentage of procurements without missing information.

- **The European average for the first sub-indicator (i) "publication rate" increased** compared to the previous benchmarking (from 4.16% to 5.62%). The **best performing countries** for this first sub-indicator (i) are Latvia (10.9%), Hungary (9.4%), Estonia (9.2%), Romania (8.7%), Denmark (8.5%) and France (8.4%). **16 countries reach the 5% "satisfactory" level** set in the EU Single Market Scoreboard (LV, HU, EE, RO, DK, FR, HR, BG, CZ, FI, IT, LT, NO, PL, SK, SE), which is 8 countries more than in the previous benchmarking (HU, FR, CZ, FI, IT, LT, NO and SE improved and reached satisfactory level).
- **The European average for the second sub-indicator (ii) "no missing call for bids information" increased** compared to the previous benchmarking (from 83% to 99%). The **12 best performing countries** for the second sub-indicator (ii) are Cyprus, Estonia, Finland, Greece, Hungary, Latvia, Lithuania, Luxembourg, Norway, Romania, Slovakia and Switzerland (who all score 100%). For this sub-indicator (ii), **25 countries (all countries except AT, IE, PT, SI, ES) reach the 97% "satisfactory" level** set in the EU Single Market Scoreboard, which is significantly better than in the previous benchmarking when no single country reached 100%.
- **The European average for the second sub-indicator (iii) "no missing buyer registration numbers" increased** compared to the previous benchmarking (from 51% to 70%). The **9 best performing countries** for the second sub-indicator (iii) are Estonia, Finland, Bulgaria, Croatia, Hungary, Latvia, Lithuania, Norway and Slovakia (who all score 100%). For this sub-indicator (iii), **14 countries (EE, FI, BG, HR, HU, LV, LT, NO, SK, SE, SI, RO, CY, CZ) reach the 97% "satisfactory" level** set in the EU Single Market Scoreboard, which is the double amount of countries **in comparison with the previous benchmarking (FI, LV, SE, SI, RO, CY, CZ improved and reached satisfactory level).**

Even though there is an increase, the European average score (58%) is still low, mainly due to the fact that the "publication rate" in many countries needs improvements.



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