PUBLIC PROCUREMENT OF INNOVATION
TELEA-Homecare Technology Platform

The platform has been used to service patients suffering acute Chronic Obstructive Pulmonary Disease

€2,635

Average annual savings per patient

€13,673,190

Average potential estimated annual savings*

13% Decrease in mortality

97% Of patients agree it has improved their access to healthcare

3.1 Fewer primary care visits per patient

*Considering 5,187 patients diagnosed with COPD in the high complexity level in Galicia 31/12/2015
Persist!
Insist!
And never desist!
We are all invited to be part of the change
Strategic Objectives
It is a way to create employment & support the industry, companies...

Value instead of Price
Not only the price is important, but also the quality

Budget execution

Efficient use of resources

Control & compliance

Supply & delivery

Evolution of Public Procurement Systems

Public Procurement of Innovation (Demand side measures)

Traditional model of intervention (Supply side measures)

Evolution of Innovation Policies
¿WHAT IS PUBLIC PROCUREMENT OF INNOVATION?
PUBLIC PROCUREMENT OF INNOVATION

is an initiative to encourage the development of innovative markets through public procurement.

Solves the “supplier's dilemma”
We have been talking about it during the whole conference!

“Making value for money”

“Reduce barriers doing business with the government”

“Dialogue between suppliers and contracting authorities”

“Empowerment of SMEs”

“Include the focus on users”

“Transparency”

“Market research”

“Sustainability and cost savings”

“Life cycle cost”
What is not the PPI?

Not a new type of contract

Not a new procedure of adjudication

Not a technology platform

Not a new contracting process

Not buying innovative products or services that already exist
But.....Do we really know which are the implications of the PPI?
CHALLENGES FOR BEING PPI

INNOVATIVE
Product or service that does not exist in the market

R+D
Development of R & D is required with the supplier

SCALABILITY
The solution can be replicated in other entities of the state

CO-DEVELOPMENT
Joint development between the offerer and the buyer

INTERNATIONALIZATION
Intellectual property rights are able to open new markets
MACRO IMPACT OF PPI
INVESTMENT IN R&D (% of GDP)

Information from World Bank & Inter-American Development Bank (2013)

OCDE 2,40

Latin America 0,78

México 0,50

Colombia 0,26

Perú 0,15

Chile 0,39

Argentina 0,61

Brazil 1,24

Antioquia 0,4
THE IMPACT OF A PPI IMPLEMENTATION IN COLOMBIA & ANTIOQUIA & MÉXICO

INVESTMENT of 1% of Public Procurements as binding expenditure in PPI for 2018

The rise in public procurement on R&D as % of GDP would be...

- Colombia: 34.7%
- Antioquia (Co.): 23.1%
- México: 11.3%
8 REASONS TO SUPPORT PPI

1) Saving
2) Process Improvement

3) Impact on indicators of R+D
4) Open innovation promotion
5) Internationalization of companies
6) Improvement of public services
7) Leading markets
8) Innovative image of the organization
“The PPI make us understand that from the problems it was possible to capture the talent and turn it into solutions at the service of citizens”

Javier Quiles, H2050 -IS Coordinator
Healthcare model change & public savings in Galicia (Spain)

Country: Spain (Servicio Gallego de Salud / Galician Public Healthcare Service)

Sector: Health

90M€ Budget
396 Ideas Martek consultation
33 PPI Contracts
65% local companies
85% SMEs
Innovation Hubs
Healthcare model change & public savings in Galicia (Spain)

**Healthcare innovation plans H2050-Innova Saude/ Timeline**

- **Jan-Mar 2012**: PPI Model Design (Project office)
- **April 2012**: Market Consultation
- **March 2013**: Early Demand Map Publication
- **Jun 2013-Jul 2015**: PPI Tenders
  - 33 contracts
  - 27,4 M €
  - 27 benefited companies
- **Dec 2015**: Evaluation & Results
- **Jan-Nov 2016**: Dissemination of Results

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**Key Dates**

- **Oct-Dec 2011**: Project Design (Innovation platform)
- **Jan-Mar 2012**: PPI Model Design (Project office)
- **March 2013**: Early Demand Map Publication
- **Jun 2013**: PPI Tenders
- **Jun 2014**: National award
- **November 2015**: European PPI award
- **Jan-Nov 2016**: Dissemination of Results

**Awards**

- National award June 2014
- European PPI award November 2015

**Planification Management Evaluation**
“We have been able to generate a structural capacity for the city through a systematic work”

Elkin Echeverri, Director of Planning and Prospective, Ruta N (Medellin) "Passionate about thinking fast and living slowly"
City commitment to create innovative public organizations:
PPI capacity development for public and private agents in the city of Medellin

Country: Colombia (Ruta N)
Sector: Multi-sector Smart City

People trained: 700
Consultants trained: 23
Challenges identified: 4

Medellín 2021
HOW TO START?
ROADMAP

- Raising awareness: 3 months
- Capacity building: 3 months
- Development of PPI system & policies: 6 months
- Design of PPI pilot projects: 12 months
- Implementation: 12 months

Total: 3 years
The Mediator Between Head and Hands Must Be the Heart

Metropolis, Fritz Lang, 1927
Another way to innovate is possible!!

Thank you!

Sandra Sinde
PPI & Open Innovation Manager

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