

Urban Agenda for the EU

Innovative and Responsible Public Procurement Partnership

**Building a Procurement Strategy: using a city's
buying power to achieve political goals!**



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Disclaimer

The Pact of Amsterdam states that the Action Plan "can be regarded as non-binding". Therefore, the actions presented in this Action Plan are not compulsory

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1 Executive summary

1.1 Why is a strategic approach to public procurement important?

European cities (and other public authorities) buy goods, works and services for in total €2 trillion euros a year. Public procurement has a significant leverage effect on the economy and in addressing social and environmental challenges. The European directives identify this strategic approach to public procurement.

The effectiveness of public spend depends largely on its contribution to achieve public policy goals.

1.2 What is needed for building this strategic procurement approach?

The procurement strategy must be practical, clear and understandable. It may be ambitious but should be pragmatic and adopt a continuous-improvement approach. It must be stable in the medium term and be able to anticipate on emerging issues or challenges.

Building a procurement strategy means formulating the goals to be achieved and translating them into a city's managerial processes and operational terms. It's recommendable to work together at a local level with other local authorities that share similar goals. Letting economic operators (market parties) join this cooperation can have significant advantages.

1.3 How can a city go about designing and performing a successful procurement strategy?

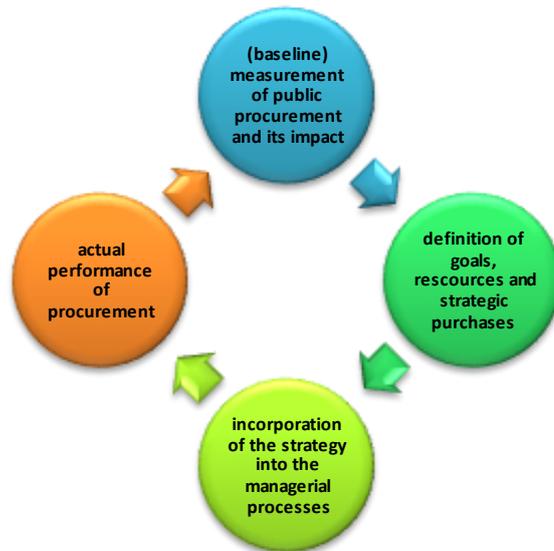
A number of steps need to be taken in a consecutive order and repeated in time with a view on adjustment and improvement:

The city must clearly and precisely identify:

- The maturity of public procurement by performing a baseline measurement with the help of a self-assessment-tool
- The long-term goals, objectives and the expected outcomes of procurement, related to the policies of the city, by:
 - Talking to and influencing politicians, decision makers and practitioners, in order to listen to their needs and wants, and to convince them of the need and necessity of a robust procurement approach;
 - Defining the city's strategic purchases in line with the set public policies and categorizing them depending on the expected impacts and taking into account the supply risk by exploring the market;
 - Relating to changes and innovation taking place in businesses (especially small and medium-sized);
- The resources, key-players, expertise and competences needed to operationalize the strategy and ensure its actual application;
- The way to incorporate these choices in the management processes of the city;

- The performance and impact of public spend, by measurement, leading to a continuous adjustment and improvement of the procurement strategy and its related processes.

Figure 1 Designing and performing a strategic public procurement policy according to the continuous improvement circle of Plan-Do-Check-Act (Circle of Deming)



1.4 Guidance on building an procurement strategy

The purpose of this guide is to share with cities a methodology, experiences and tools in a practical and operational way to help them build their own strategy and manage the procurement process.

2 How to use the guidance toolkit?

The guidance toolkit can be used in various ways. It can be read 'from cover to cover' and thus provide a sequential instruction on how to build, implement and put into practice a strategic procurement policy. Or it can be approached via its separate building blocks, dependent on the user's need for information about specific issues.

The guidance toolkit is divided into three parts:

1. The strategic level: why is building a procurement strategy important and what does it entail (Section 4);
2. The tactical level: what process and methodology of designing is being used and what component parts does a procurement strategy include (Section 5);
3. The operational level: how to go about it practically (Section 6).

The Sections comprise several building blocks that elaborate on the issue in hand.

A building block consists of a short introduction, a concise explanatory text and a handy 'to do' list that summarizes the steps to be taken. Furthermore, references are made to relevant case descriptions. Certain topics are illustrated by a short video or podcast about the approach other cities have taken around specific issues. The video's and podcasts are meant to inspire and trigger cities to start working on their procurement strategy.

In order to make the guidance toolkit as practical as possible, long digressions have been avoided. Instead, the explanatory texts include references to other sources of information and suggestions for further reading.

Consult this table, in order to find out which part is relevant for you.

Table 1 Relevant Sections of the document for politicians, managers, procurement officers and buyers

| Section No. | Section title | Politicians | Management | Procurement officers | Buyers |
|-------------|--|-------------|------------|----------------------|--------|
| 1 | Executive summary | | | | |
| 2 | How to use the guidance toolkit | | | | |
| 3 | Preliminaries | | | | |
| 3.1 | General Introduction | | | | |
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| 4.2 | Public procurement has influence | | | | |
| 4.3 | Challenges of public procurement strategy | | | | |
| 5 | The tactical level What process is followed and component parts does building a procurement strategy comprise? | | | | |
| 5.2 | Impacting political awareness and decision making | | | | |
| 5.3 | Preliminary decisions | | | | |
| 5.5 | The process of building | | | | |
| 5.7 | Building an overall/general approach of public procurement | | | | |
| 5.9 | Implementing the procurement in management processes | | | | |
| 6 | The operational level: How to go about it practically? | | | | |
| 6.1 | Identifying maturity | | | | |
| 6.2 | Issues at a management level | | | | |
| 6.3 | Competences for Professionals in Public Procurement | | | | |
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| | Annexes | | | | |
| 8 | Self-assessment-tool of the maturity of public procurement | | | | |
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| 11 | Practical application of building an procurement strategy in the City of Nantes | | | | |
| 12 | Procurement roles | | | | |
| | Video's and podcasts | | | | |



3 Preliminaries

3.1 General introduction

After the financial crisis of 2008 lessons were learned about the inner workings of our economy, our social model and our environmental impact. Public money has been used to bailout the financial system and for economic recovery. This led to a worrying increase in public debt, the ensuing social crisis, increasing inequality, populism and doubt about policy credibility. As a result, guidelines have been adopted that refocus on common interests: the 17 Sustainable Development Goals of the United Nations in 2012 and the Paris Climate Agreement in 2015.

Achieving these goals requires the involvement of everyone: "Think global, act local" is a guiding principle. With its financial power - €2 trillion for Europe - and its enormous leverage effect, public procurement is an essential tool. The European directives have clearly identified this strategic approach. Public procurement must be strategic, consistent with public policy directions and its effectiveness depends on measuring its real contribution to the achievement of public policy goals.

European cities have been contributing for many years to policies touching on public procurement. The Urban Agenda Partnership on Innovative and Responsible Public Procurement identified the opportunity and need to strengthen its strategic approach. The purpose of this guide is to share a methodology, experiences and tools in a practical and operational way to let each procurer take action.

After the financial crisis of 2008 lessons were learned about the inner workings of our economy, as well as about our social model and our environmental impact. In view of the consequences on economic activity, human and social devastation and environmental emergencies, these questions are legitimate, indispensable and cannot remain unanswered. Originating in the United States, the primarily financial crisis was linked to the practices of certain banks and globalisation, resulting in the spread of its most harmful effects on the global economy as a whole. The crisis of responsibility - no one in particular has been accused or judged - has seen a huge amount of public money used to bailout the financial system and it has also been used extensively for economic recovery at the expense of a worrying increase in public debt. The repercussions are particularly serious when addressing the ensuing social crisis, increasing inequality, populism and doubt about policy credibility.

However, in this period, it is necessary to highlight two acts that have made it possible to adopt guidelines refocused on common interests, and to redirect public policies: the Paris Climate Agreement and the adoption by the UN of the Sustainable Development Goals. The first was adopted on 12 December 2015 by 195 delegations out of the 197 UN delegations and aims to organize the fight against global warming by limiting it to 2°C, to disinvest fossil fuels and to achieve carbon neutrality. The second text of the Rio Conference in 2012 adopts 17 Sustainable Development Goals (SDGs) to address urgent ecological, economic and political challenges. Inclusive growth, decent work, quality education, reduced inequality, hunger eradication and global warming. An agenda and a vision that require the involvement of everyone, and effective and responsible multilateralism. Regarding these issues, Europe has significant strengths.

Achieving these goals requires the involvement of all parties - citizens, economic operators (businesses) and public authorities - at the international level and the local level. "Think global, act local" (René Dubos - Earth Summit 1972 Stockholm) is a valid guiding principle. Many public policies have been activated or strengthened to meet these challenges at a European, national and local level. With its financial power - €2 trillion for Europe - and its huge leverage effect on economic operators (market parties), public procurement is an essential tool for public action.

The latest European directives in this area (see in particular Directive 2014/24/EU of 26 February 2014) have clearly identified this strategic approach: "to enable procurers to make better use of public procurement in support of common societal goals (recital 2)." Public procurement is not a neutral, purely economic act: it must be strategic, consistent with public policy directions and its effectiveness depends on measuring its real contribution to the achievement of public policy goals.

The success and effectiveness of the necessary actions depend on their credibility, so there is no longer any time to hesitate or act half-heartedly. We must chart a common path, follow it with responsibility, awareness, support and determination.

3.2 Urban Agenda for the European Union (UAEU)

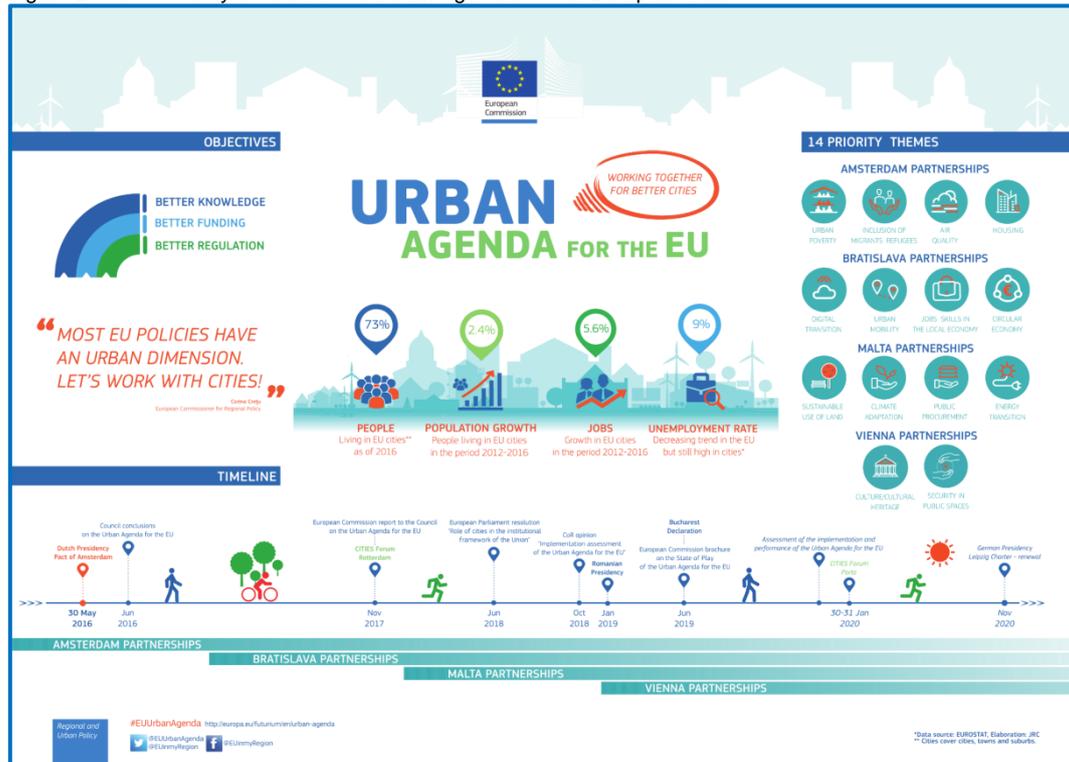
European cities are a natural part of this movement and have been contributing for many years to the implementation of public actions and policies touching on public procurement.

The 'Pact of Amsterdam' of May 2016 has established the Urban Agenda for the EU: a new working method of thematic Partnerships seeking to optimize the utilization of the growth potential of cities and to address social challenges. It aims to do so through better cooperation between cities, regions, Member States, the European Commission and other stakeholders. Following the 12 priority themes outlined in the Urban Agenda for the EU, 12 thematic Partnerships were established. Recently, two more partnerships were established in January 2019 (Culture/Cultural Heritage and Security in Public Spaces).

The Urban Agenda for the EU focuses specifically on three pillars of EU policy making and implementation:

- Better Regulation;
- Better Funding;
- Better Knowledge.

Figure 2 The 14 Priority themes of the Urban Agenda for the European Union



Partnership on Innovative and Responsible Public Procurement

The Partnership on Innovative and Responsible Public Procurement is one of the original 12 Partnerships as stated in the Pact of Amsterdam, and was formally established in May 2017.

The aim of this Partnership is to push forward the development and implementation of an ambitious procurement strategy as an integrated and supportive management tool for governance. Using public procurement and the procurement of innovation as a strategic management tool, cities can significantly increase the positive impact on their social, economic and environmental objectives.

The focus of the Partnership is on the mid- and long-term perspective of public procurement. Therefore, the Partnership has established three topics that need to be addressed:

1. Building a procurement strategy and managing strategic procurement;
2. Developing relationships with economic operators; utilising the market potential and bringing it closer to the purchasers;
3. Providing guidance on legal tools and improving competence on innovative, sustainable and circular procurement.

Action 1
Building a Procurement Strategy

Figure 3 Partnership on Innovative and Responsible Public Procurement under the UAEU

01_ Building strategy
This action supports politicians and technicians in cities (especially mid-sized and small-sized ones) in building their Public Procurement strategy. This strategy allows the implementation of the global strategy of the city's goals in facing social, economic and environmental challenges.

Output
A guidance toolkit.

02_ Circular procurement
The goal of the action is to make knowledge on circular procurement easily available, so that cities can build and develop competence for relevant staff.

Output
Workshops and trainings that support public authorities to conduct circular procurement.

03_ Knowledge Exchange: Local Competence Centres
The action aims at improving knowledge and skills in innovative and sustainable public procurement, including the pre- and post procurement/tendering phases. By sharing knowledge recourses, tools and risk management cities have a greater impact in certain markets with a view to procuring much needed innovative goods and services that also foster a more sustainable development.

Output
A concept for a local competence centre for innovative and responsible procurement, where in a multi-disciplinary setting public buyers exchange knowledge, experience and co-operate in the buyer process.

04_ Innovation procurement broker
The partnership investigates the specific need for innovation procurement brokerage between the demand and supply-side, the organizational model, the features of an innovation procurement broker and how it can practically support the interaction between public buyers and economic operators.

Output
Guidelines for both the implementation and management of the "innovation procurement broker", conceived at regional, national and EU level, with the close involvement of EU cities.

05_ Funding (and future funding EU)
Cities need financial support to develop projects to learn from more advanced cities in circular procurement and social responsibility in procurement, to procure innovation and projects where they look for expert support to develop 'joint cross-border procurement'.

Output
Recommendation(s) to the European Commission on future EU funding for joint cross-border, procurement of innovation, social responsibility in procurement and circular procurement.

06_ Legal framework
The aim of developing a legal handbook on innovative public procurement is to provide a practical guideline regarding legal aspects for the procurement of innovation.

Output
A guidance book with a legal aspects of innovation, good practices and roadmap of procurement of innovation.

07_ Measuring spend
The action aims at developing a common cross-Europe methodology for municipalities and other institutions to measure where their procurement spend goes.

Output
A spend analyses tool and guidance on principles of measuring wider impact.

EU Urban Agenda partnership for Innovative and Responsible Public Procurement

‘Together we work on better regulation, better knowledge and better funding.’

Further information?
For further information on the Partnership on Innovative and Responsible Public Procurement under the Urban Agenda, please contact **Mrs. Valentina Schippers-Opejko**, vopejko@haarlem.nl

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Urban Agenda for the EU

The 'Pact of Amsterdam' of May 2016 established the Urban Agenda for the EU: a working method of thematic Partnerships seeking to optimize the utilization of the growth potential of cities and to address social challenges. The Partnership on Innovative and Responsible Public Procurement is one of the 14 Partnerships, and was formally established in May 2017.

Innovative and responsible procurement

The Partnership on Innovative and Responsible Public Procurement creates the opportunity for cities and Member States to work closely together with European institutions to research and assess how to facilitate more use of innovative and responsible public procurement and thus support innovation and sustainability (social, economic and environmental).

Background for the Partnership

Social, economic and ecological issues manifest themselves within urban areas, and should also be addressed by the cities themselves. The EU is indispensable in the sense that EU-wide policy supports cities in their efforts to create the best possible environment for people.

Action plan of the Partnership

Together with European cities and organisations and representatives of the European Commission, the city of Haarlem (the Netherlands) as the coordinating city in the Partnership has produced an action plan with seven specific actions. The implementation of the action plan is in progress. The end result will be presented mid-2020 to the European Commission and disseminated throughout Europe.

Partners

Cities, regions

- Haarlem (NL) – coordinator
- The Hague (NL)
- Metropolis Nantes (FR)
- Turin (IT)
- Munich (DE)
- Vantaa (FI)
- Larvik (NO)
- Preston (UK)
- Gabrovo (BG)
- Prague (CZ)
- Lublin (PL)

Member states

- Italy
- Czech Republic

EU Institutions

- European Commission (DG GROW, DG REGIO, DG ENV and DG CONNECT)

Observers & Associations

- Council of European Municipalities and Regions (CEMR)
- EUROCITIES
- European centre for Sustainable integrated urban development (URBACT)
- Urban Innovative Actions (UIA)

Support, stakeholder & expert organisations

Support

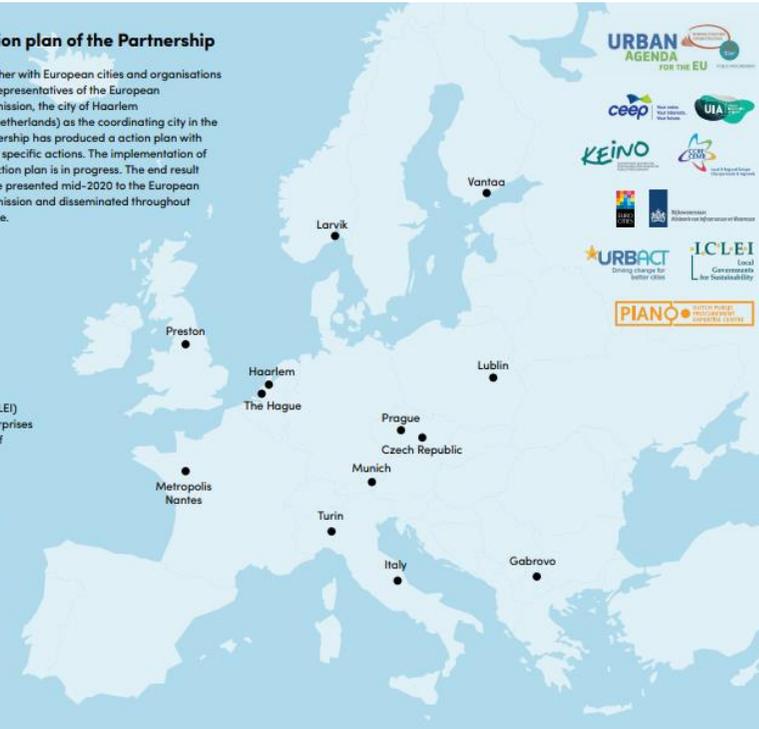
- Urban Agenda Secretariat: Ecorys

Stakeholders

- Local Governments for Sustainability (ICLEI)
- European Centre of Employers and Enterprises providing Public Services and Services of general interest (CEEP)

Expert organisations

- Finnish network-based consortium for sustainable and innovative procurement (KEINO)
- Dutch Ministry of Infrastructure and Water Management
- The Dutch Public Procurement Expertise Centre (PIANO)



The work carried out within the partnership has made it possible to identify the opportunity and the need to strengthen the strategic approach to public procurement. In order to clearly define its areas of focus and avoid any duplication of work, the partnership carried out a mapping of existing initiatives and projects, but also an overview of existing legislation, funding instruments, working groups and networks. The Annex in Section 10 lists an overview.

The purpose of this guide - as a way to contribute to the first topic of the partnership - is to share a methodology, experiences and tools in a practical and operational way, to let each party, whether it be politicians, managers, procurement officers or buyers, take action in building a procurement strategy.

4 The strategic level of public procurement: Why building a procurement strategy important?

4.1 Strategic level of public procurement

The strategic level of public procurement concerns the definition of the overarching principles and the making of the major decisions about the deployment of public spend, arising from the political objectives and the overall strategy of a city. In other words, it entails setting the frameworks and goals of procurement, derived from a city's policies with respect to economic challenges, social needs and ecological concerns. Formulating procurement objectives based on set policies ensures that purchases contribute to a city's political agenda.

In this Section we will explore the influence of public procurement, but also its challenges.

4.2 Public procurement has influence

Public procurement has become a development tool, to back public policies at a local level. The way to structure public procurement is to adopt a clear strategy: it must be well defined and understandable and publicised, consistent and either ambitious or progressive.

Ideally, public procurement stems from a strategy that is designed locally and connected to its institutional, economic and regional environment. There are two sides to this strategic view: an internal aspect: to enlist the support of internal buyers for the strategic priorities of a city, and the external consequence: how can a local authority persuade businesses to more effectively factor in certain public policies?

There will be obstacles and resistance. But the strategic vision makes it possible to understand the change drivers and change becomes a strength. If there's a strategy, businesses can come to grips with it and use it to guide their development. A public procurement that is tailored to the local authority's public policies, the region's expectations, and the current economic, environmental and social issues, generates change and meets with success.

4.2.1 Public procurement as a political dimension

Public procurement is no longer a purely economic and administrative exercise, undertaken to meet technical or material requirements and unrelated to its social, environmental or community context. It now encompasses public action and its eminently political dimension, which give it additional meaning and fresh interest for buyers, as well as being a source of complexity.

From the Preamble of the 2014 Procurement Directive :

"Public procurement plays a key role in the Europe 2020 strategy, set out in the Commission Communication of 3 March 2010 entitled 'Europe 2020, a strategy for smart, sustainable and inclusive growth' ('Europe 2020 strategy for smart, sustainable and inclusive growth'), as one of the market-based instruments to be used to achieve smart, sustainable and inclusive growth while ensuring the most efficient use of public funds."

The climate emergency has brought environmental issues to the forefront, including energy consumption and emissions of pollutants and greenhouse gases. Closely linked to these are health issues, spotlighting the consequences of pollutants and pesticides on the human body. Organic procurement has traditionally been motivated by environmental issues, but now the health benefits of organic products are coming to the fore. The financial sums involved in public procurement have long influenced regions' economic activity. Today, though, public procurement channels support for innovation and for the development of VSEs and SMEs, and promotes businesses that contribute to achieving sustainable development objectives.

4.2.2 New challenges for public procurement

It is common these days for citizens and NGOs (non-governmental organizations) to challenge local authorities about their procurement and whether social, environmental and economic factors are taken into account. We see this in relation to foodstuffs and the use of plastic containers in contract catering, the use of recycled paper, a policy of essential-only printing, electricity from renewable resources, the share of expenditure reserved for local VSEs (very small enterprises) and SMEs (small- and medium-sized enterprises), or the sum spent on innovative purchases. There is no shortage of ideas; new ones are emerging all the time.

Public procurement will only be a beneficial economic driver if it is underpinned by such challenges. They are a useful addition to the body of regulations, which has snowballed in the different sectors. It is essential for clarifying certain subjects and sparking innovation, and for giving stakeholders time to change.

Public procurement has become not only a key stake but also a tool for developing public policies in a region. The latter are particularly varied: they encompass mobility and transport, social and employment issues, economic development and innovation, waste and the circular economy, education and culture. All areas in which each local authority's strategies are intertwined with the goals and challenges of sustainable development. So, what should we do? Do we need to make choices? How do we pick one over the other? It is no easy task for a buyer to see clearly, map out a path and stick to it when it is challenged or when problems arise, for example when the market's capacity is not enough to meet the needs. The only way to structure public procurement, make it meaningful and tailor human and financial resources to the chosen objectives is to adopt a clear strategy: it must be well defined and publicised, consistent, and either ambitious or progressive.

4.2.3 Public procurement strategy connected with local ecosystem

Ideally, public procurement stems from a strategy that is designed locally and connected to its institutional, economic and regional environment. Without such a vision, it would undoubtedly lose something of its purpose, efficiency and pertinence. It would risk contradicting itself and may even prove counterproductive or demotivating.

There are, in fact, two sides to this strategic view of public procurement. The first concerns the buyer as a responsible stakeholder. Under this strategy, buyers define their actions, their content and objectives, and the manner in which they will involve their internal buyers and enlist their support for their strategic priorities. This internal aspect of strategy has an external consequence: what company practices should be encouraged and promoted? How can a local authority persuade businesses to more effectively factor in certain public policies on employment or energy, for example, while at the

same time complying with the restrictions laid down by the directive not to take into account businesses' general CSR policy?

4.2.4 *The public procurement's dual influence*

This strategic approach to public procurement reveals public procurement's dual influence on buyers' internal practices and on businesses' practices and their economic, environmental and social model. The financial aspect - €2 trillion - and the various tools developed by the directives give it enormous potential for supporting public policies and providing a potentially very effective tool.

Naturally there will be inhibitors, obstacles and resistance: that is all part of change management. But, here again, the strategic vision makes it possible to look ahead, understand the change drivers and anticipate in order to adapt. Change then becomes a strength, a competitive advantage, a way of winning points in criteria weighting. However, the strategy must be clear, understandable and publicised so that businesses can come to grips with it and use it to guide their development.

A procurement strategy defined in a clear, practical manner that is readily understandable for businesses is therefore an absolute necessity. But what should it set out to achieve? Should it be exemplary and excellent? Or is it sufficient to be a step in the right direction? How should it translate the buyer's responsibility and exemplarity? Of course, excellence is good in terms of communication; it satisfies the stakeholders involved and maps out the road ahead. But an ambition of this nature is not always feasible. It often implies considerable engineering and, depending on the subjects involved and how innovative they are, can entail exponential financial resources. On the other hand, adopting a progressive, continuous-improvement approach consistent with the state of the supplier market has the advantage of being prudent and pragmatic, and may avoid various pitfalls, failures and disappointments. However, a lack of ambition and determination also lays the local authority open to criticism. It may tarnish its image and lessen the effectiveness of public policies by depriving them of the potential of public procurement.

There is no perfect, all-inclusive, unquestionable strategy. Any strategy will involve some measure of choice, giving up and inadequacy. But it will also generate change, success and buoyancy among the region's economic stakeholders. However, nothing can be undertaken without a strategy.

Public procurement is a powerful tool to implement a strategy that is tailored to the local authority's public policies, the region's expectations, and the current economic, environmental and social issues.

4.3 Challenges of public procurement strategy

Public procurement and public buyers are part of the national and international markets. Therefore, it is important to understand and use the same kind of methods and tools, that market operators apply. The role of public procurement as public government obligates a city to deliver the strategic goals the city has to implement, also using procurement processes. The principles of socially and environmentally shaped policies are to be taken into account as guiding principles in every public procurement. Public procurement finds itself at the crossing-point of the public and the private sphere, which gives it a unique position to signal to and impact the private sphere and market operators. Operating and acting professionally as public buyers requires long-term planning and an operative management. Without a procurement strategy, or a direct linkage to an organization's overall strategy, the outcomes and effectiveness of strategic goals are random. It is also recommendable to

find likeminded other public buyers locally and start creating regional goals and roadmaps. There are already good examples at hand of building up public buying power by networking with other European likeminded cities. Last but not least, the measuring of the impact of spend is crucial as an indication of either the success or the failure of the set procurement strategy.

As in the Communication of the EC N. 572-17th October 2017 the European Commission expects public buyers to “make public procurement work in and for Europe”, there is indeed a clear mandate for the public procurers for action. For public authorities, procurement is a powerful tool for spending public money in an efficient, sustainable and strategic manner, especially in times of strained national budgets. Europeans expect a fair return on their taxes in the form of high-quality public services. To ensure the delivery of high-quality public services, a strategic approach to sourcing is needed. This strongly depends on a modern and efficient public procurement process. Procurement matters also for European companies who benefit from the single market when bidding for public contracts. Public procurement is also a strategic instrument in each Member State's economic policy toolbox. The 2015 single market strategy made the case for more transparent, efficient and accountable public procurement systems. This requires a shift from a purely administrative approach of procurement to a strategically and needs-driven approach, in full compliance with the rules. The new generation of public procurement directives, adopted in 2014, provides a framework for procuring in a more flexible way. They simplify public procurement procedures, improving access of SMEs to procurement. The overall objective is to obtain better value for public money, to deliver better outcomes for societal and other public policy objectives while increasing efficiency of public spending.

What are the challenges?

Cities as procurement units are currently not using to their full extent the possibilities of public procurement as a strategic tool to support sustainable, social policy objectives and innovation. The time is therefore right to focus on the smart application of the new rules in practice. The European Commission has identified specific areas where change can make a difference to the way public money is spent in, thus tangibly contributing to growth and jobs in the area.

Strategic procurement possibilities are not sufficiently used. European wide data show that 55% of procurement procedures still use the lowest price as the only award criterion. The public procurement directives leave public buyers entirely free to opt for purchases based on cost-effectiveness, quality-based criteria. In the same way, the digital transformation of public procurement is slow. Contracting authorities are rarely buying together, as only 11% of procedures are carried out by cooperative procurement, as European wide data show. It is argued that procurement procedures are too complex and suffer from an excessive administrative burden, even after the major reform and simplification of EU rules undertaken in 2014, mentioned above.

How to tackle the challenges

In order to tackle the challenges, the cities as public buyers could cooperate more and use aggregated procurement, promote strategic and digital procurement and professionalise their public buyers. Businesses, industry and business associations could e.g. encourage higher participation in procurement markets, also beyond their national borders, by drawing up evaluation models for comparing different solutions on an objective basis. Prior market consultations are an important phase to improve procurement expertise and should also involve SMEs.

There is a growing attention to a participatory budget approach across many cities and communities which could enable increased attention to strategic criteria promoted by local groups. Journalists and

the public should use the available data to exercise public scrutiny of procurement and to hold public buyers accountable. Scientists and academics also have an important role, by developing analytics and data models.

As steps to mitigate the challenges for cities as procurement units:

1. Include the overall strategic targets into your procurement strategy;
2. Ensure that the public buyers have the necessary skills and competencies;
3. Communicate openly of your further procurement needs and publish your tenders on an open platform;
4. Make your procurement and buying data open according to the local or national standard;
5. Boost the digital transformation of entire procurement from tendering to e-invoicing;
6. Cooperate to procure together and collaborate with the markets.

How to address the markets and combine buying power?

One example is the Big Buyers European Commission Initiative , which promotes collaboration between big public buyers from different parts of Europe in implementing strategic public procurement. There are several national and local actions as well which gather together the public buyers with shared strategic goals. Public procurement can be a key tool in driving the development of innovative goods and services on the European market. By working together, and pooling their resources, cities, central purchasing bodies, and other major public procurers can maximize their market power and impact. The initiative presents a compelling opportunity to engage with other public authorities across Europe and to shape new innovative solutions to your procurement needs.

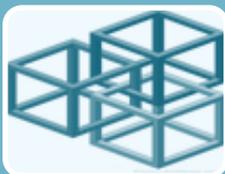
4.4 To do list on a strategic level: setting the scene

Setting the scene for the design of a strategic public procurement policy requires at least taking the following measures, ideally culminating in a strategic position paper:

Figure 4 Setting the scene for the design of a public procurement strategy



devise a strategic position paper in which are defined the overarching guiding principles about the deployment of public spend, arising from the political objectives and the overall strategy of the city



set the frameworks and goals of procurement, derived from the city's policies with regard to economic challenges, social needs and ecological concerns



identity the challenges in aligning procurement objectives with a city's political agenda, such as collaborating with the private sphere and public action, tuning long-term goals to short-term needs (and vice versa), and embedding locally defined objectives in a larger decor of regional, national and even European policies and political agendas

5 The tactical level: What is needed for building a procurement strategy?

5.1 Tactical level of public procurement

The tactical level of public procurement concerns the steps that need to be taken to design a strategy. The steps vary from impacting political awareness and decision making, and specifying the strategic choices and priorities to implementing the strategy in management processes and setting up a system of evaluation. In short, the tactical level is concerned with the process and the methodology of how a procurement strategy is designed and the identification of the component parts a strategy must include.

5.2 Impacting political awareness and decision making

The public procurement strategy is a political act by definition. It provides a means of questioning the local authority's purchases and their contribution to the local authority's strategic objectives and public policies with a view to ensuring consistency. The formalized strategy reflects the specific themes, targets and actions of the city and therefore is tailor-made. Appointing a political delegate for procurement and establishing a purchasing committee at the political level facilitates the coordination and dissemination of the strategy. Local cooperation and a strong internal organization are important strengthening factors in the actual performance of the procurement vision.

5.2.1 A tailor-made strategic vision

This strategic vision is reflected in a prioritization of themes, targets and actions. Faced with the amount of possible subjects and actions, and the differences in maturity that can be observed within local authorities themselves, but also within economic sectors and operators, it is unrealistic to have a standard, standardised and harmonised strategy here. A purchasing strategy is certainly a tool for local dialogue with economic operators.

5.2.2 Political delegate/delegation for purchasing

Identifying a specific political delegate or delegation for purchasing is often a factor that favours the strategy's dissemination and its consideration by other elected representatives / sectors. (This elected representative may also be appointed chairperson of a so-called Bid Commission, which reinforces the legitimacy and ability to influence the allocation of contracts in accordance with the local authority's strategy.)

5.2.3 Formalized strategy

The formalization of this strategy in a clear document submitted for approval to the local authority's decision-making body is essential. The virtues of such a founding document, which gives legitimacy to the actions that result from it, are multiple. In addition to its primary function of defining the strategy, it is the administration's framework for action and its roadmap. It legitimizes the purchasing department's action to support, guide and influence future purchasing processes. Moreover, it is also a source of information for companies. This aspect is crucial and such a document must be easily understandable in its implications for businesses. It will therefore be useful to specify for each

identified target, the purchasing categories concerned, the translation methods in the contracts (performance condition, award criteria, variant, etc.). Lastly, time-related objectives may be relevant.

5.2.4 Regional harmonization of procurement strategies

It is worth emphasising that for a market party the purchasing strategy of a local authority is not always easily identifiable, but even more so when it has to take this strategy into account for different buyers to whom it responds. It is then a question for buyers operating in the same area to try to harmonize their strategy and encourage the use of identical tools (clauses, performance conditions, etc.) in order to encourage companies' response and facilitate their access to public procurement.

5.2.5 Purchasing committee

The setting up of a purchasing committee at the political level facilitates the coordination and dissemination of the strategy. Composed of elected representatives in charge of the main public policies or main purchases - depending on the organization of delegations within the local authority - it enables decisions to be made on the actions to be taken, the purchasing categories to be involved and the methods for taking into account one or other objective pursued. Similarly, this body will request the necessary assessments involving the various internal departments in the production of the data necessary for this assessment.

The committee will also make it possible to adjust the action plan as it is implemented, to take note of improvements, to work on the obstacles encountered and to refocus actions if necessary. It will also be the go-to contact for economic networks and dialogue with economic operators.

5.2.6 Local cooperation

Against a backdrop of scarce resources, it is essential that for the actual performance of the strategic vision of purchasing that there are enough resources available. In this respect, it is also important to highlight the role and contribution of local cooperation networks that support buyers in their strategic approach, develop tools and assist in the implementation of this strategy. Such entities are a valuable help when matters are plentiful, complex and sometimes contradictory. And their role goes beyond sharing practices and pooling experiences. Cooperation networks can also be helpful in promoting a standardized, proven, assessed and effective practice. *See also Local Cooperation Centres document on <https://ec.europa.eu/futurium/en/public-procurement>.*

5.2.7 Internal organization

With these structuring tools – a formalized strategy, an appointed key elected representative, a cross-functional purchasing committee, etc. – the internal purchasing department benefits from a framework for action. However, the nature of the local authority's internal organization has a strong impact on its capacity to take action. Indeed, it is then up to the local authority, in view of the centralized or decentralized organization, to build a cooperation with internal users to disseminate and apply this strategy in an operational way.

This support for change allows for various positioning options, ranging from a decision-making process in which the purchasing department can decide on actions to a contributory process in which the purchasing department proposes, recommends, negotiates and submits decisions in order to strike a balance between its purchasing strategy and other equally strategic objectives. In all cases, but especially in the latter, the implementation of the purchasing strategy by the general management is a key success factor. It ensures that a balance is struck between contradictory objectives, making it possible to reflect the local authority's real desire for change.

5.3 Preliminary decisions about the procurement strategy

Tactical decisions precede the actual design of a strategy. These preliminary decisions include issues such as sharply defining expectations, goals and objectives of the strategy, prioritizing targets and actions and formulating a vision that is sustainable in the medium term.

5.3.1 *Defining the strategy: its expectations, goals and objectives*

To begin with, we need to define what we mean by a procurement strategy. In short, it entails formalizing the purposes to be achieved by the purchasing act and translating them into operational terms for the benefit of internal buyers and businesses. This approach helps identify the expected purchasing outcome and show how it relates to the various public policies implemented by the public buyer in other domains.

This approach should not only help identify the expected purchasing outcome but also, and more importantly, show how it relates to the various public policies implemented by the public buyer in other domains.

It is important for the procurement strategy to define the desired exemplarity and the expected outcome, since this determines the effort poured into the initiative, the amount of resources devoted to it and hence the priority of the actions to be taken, for both internal and external stakeholders.

Accordingly, any procurement strategy must be clear and precise about its expectations, goals and objectives.

5.3.2 *Prioritization of themes, targets and actions*

A prioritization of themes, targets and actions is needed. A goal without resources is an empty pretence, a vain wish. An overabundance of priorities but with limited resources can result in the resources being spread too thinly and therefore less effectively. On the other hand, with an overly restrictive or unambitious strategy, the buyer will fail to exploit the full potential of purchasing as a trigger for change.

5.3.3 *Measurable objectives*

Should it be measurable? Yes, in part. But the question of measurement implies detailed prior knowledge of the purchase. Setting an objective of meeting 100% of timber requirements with eco-certified raw wood, for example, supposes that the buyer knows the quantities initially purchased and can track all of the orders filled. However, it takes a certain amount of work on the part of the departments to attain this level of knowledge and control. Accordingly, and especially the first time a strategy is mapped out, the buyer could strike a compromise between having a precise objective and being able to measure it.

5.3.4 *Practical and achievable strategy*

Procurement strategy must be comprehensible both internally and for the economic operators. Not only the wording of the objectives but also the tools used by the buyer to achieve them must be perfectly clear, including the performance conditions, technical specifications, award criteria, etc. These factors enable the stakeholders to work out what action they need to take and make the necessary preparations.

The strategy must be applicable, in other words, practicable and achievable. If the strategy is based on empty claims, its credibility will be undermined and its influence weakened, both internally and with regard to the economic operators. On the other hand, if a strategy's feasibility has been discussed with other parties, it will gain more support and be more effective.

5.3.5 Sustainable in the medium term

Lastly, the strategy must be relatively permanent and stable in the medium term so that the stakeholders can initiate change, carry it through and reap the benefits. If the priorities set change too quickly, the results obtained will probably be superficial. Accordingly, the challenge for the buyer is to anticipate the emergence of certain issues. The buyer can then include an innovation or experimental component in their procurement strategy, where new issues can be explored and investigated. The buyer will also be able to identify emerging issues through monitoring and benchmarking.

5.4 To do list on a tactical level: outline of the strategic procurement vision

Summarizing: on a tactical level attention will have to be given to impacting political awareness and decision making. Also, preliminary decisions will have to be made, preceding the actual design of the strategy.

Figure 5 Preliminary steps in the design of a procurement strategy



5.5 The process of developing a procurement strategy: change management

The process of building a procurement strategy consists of a number of measures that ensure that the actual design encompasses the results of the preliminary decisions and that all parties concerned are involved. In principle it entails a goal oriented yet agile approach, with room for adaptation and improvement.

Building procurement strategy is change management. It asks for an investment in the build-up of skills and know how. Cooperative work teams and measuring the impact of the performance of the procurement vision are important deciding factors in the success of the strategy.

5.5.1 Building procurement strategy is change management

It should be kept in mind that building procurement strategy is a change management strategy and therefore reflects its intrinsic characteristics: intelligibility, feasibility, acceptability.

Intelligibility is about focusing on meaning. This involves explaining and training teams to enable them to integrate the aspects of change. This is all the more important as internal buyers (as well as market parties) can develop a feeling of questioning their usual processes and thus negatively perceive the new strategy. This is eminently political and strategic coherence work, to be put in the hands of the general directorate.

As a result, it is necessary to work on feasibility. This work refers first and foremost to the initial procurement maturity level of the local authority. An approach that is too ambitious and unrealistic can have a detrimental effect on stakeholders. While it is important to look far ahead, which makes it possible to be ambitious in the long term in order to achieve the desired effectiveness, it is essential to take one step at a time and carefully go through the different stages, depending on the initial maturity.

The feasibility also concerns the ability of internal stakeholders to develop new skills and know-how to respond to the new strategy. If the local authority is centralised, identifying and making use of these new skills is relatively easy (insofar as the local authority allocates resources to them). If the local authority is more decentralized, then it is more of a challenge to determine and get hold of the resources dedicated to support and their connection.

Either way, for the success of the procurement policy it is important that the city management is willing to allocate specifically dedicated resources to getting the organization ready to perform the policy. This concerns not only human resources, but also budgetary resources to finance any additional costs or studies.

The acceptability also depends on the consistency over time of the procurement strategy, its firmness so that it appears credible and unavoidable. Failing this, internal stakeholders may be tempted to postpone its effects or its consideration over time, to condition it on certain prerequisites. From this point of view, the chain of command as well as the internal support of operational buyers must not be forgotten.

5.5.2 Cooperative work

The implementation of the procurement strategy requires cooperative work involving at least the operational pilot buyers, users, legal and financial support, and responsible purchasing departments. This team of stakeholders is important to be able to effectively manage the implementation, adjust the strategy, adapt to the competitive context, negotiate concessions, compensation, etc.

It is important that the pilot buyer is not alone in managing the consideration of the new strategy. And this support is not so much about monitoring the conformity of its work with the strategy, as it is about helping it operationally to utilize new knowledge, new skills and new professional benchmarks. If the

procurement strategy is perceived by the players as generating a professional risk of failure, then it can be rejected. If the risk taking (real or presumed) is shared by the local authority, its inhibiting effect is less strong.

5.5.3 Acknowledgement of possible barriers, obstacles and challenges

The implementation of a procurement strategy, in a process of change, is not necessarily a linear process. Despite the strong progress in taking sustainable development objectives into account in the population, their translation into purchasing processes requires real management. This implementation will therefore be confronted with barriers, even obstacles and challenges. The reasons are very varied but often have in common that the person involved does not fully integrate the new objective either by direct rejection (by disagreeing about the priority, the direction taken, the pace chosen or finally the technical solution adopted) or by fear that this may contribute to the failure of the case for which they are responsible.

In addition, the strategy must be updated over time. Indeed, once adopted, new problems or external requests will question the proper execution of the strategy.

5.5.4 Establishment of a steering committee

For its implementation as well as for its update, the procurement strategy implies specific management. First of all, it is recommended, as this is a cross-cutting issue, to bring internal services together in a purchasing committee (steering committee). This will facilitate decision-making, reorientations and adjustments according to a principle of reality. Such a purchasing committee also allows work to be done on the content, priorities, action plan, technical and financial trade-offs if necessary. But it also makes it possible to work on the style, i.e. the dissemination of the strategy, training, awareness raising and other messages that are an integral part of strategic management.

The steering committee may include one or more representatives of the general management in order to ensure sufficient support for the operational management. Indeed, for the strategy to be fully implemented effectively, it is important that it becomes a cross-cutting priority identified as such. To be the business of all and not of a few specialists or convinced people, the general management must not only provide support but above all ensure that it enters the culture of the local authority, i.e. into common and shared reflexes, as a new professional standard.

5.5.5 Policy evaluation

The key issue is the strategy process and the time and effort invested in that, not just the written outcome of the process. An effective strategy is put together with all the relevant stakeholders and most importantly with the persons who will be/are in the positions where these procurement preparations and decisions are made. Therefore it is advisable to give the process enough time and involve all relevant technicians, managers, directors and politicians into the strategy process.

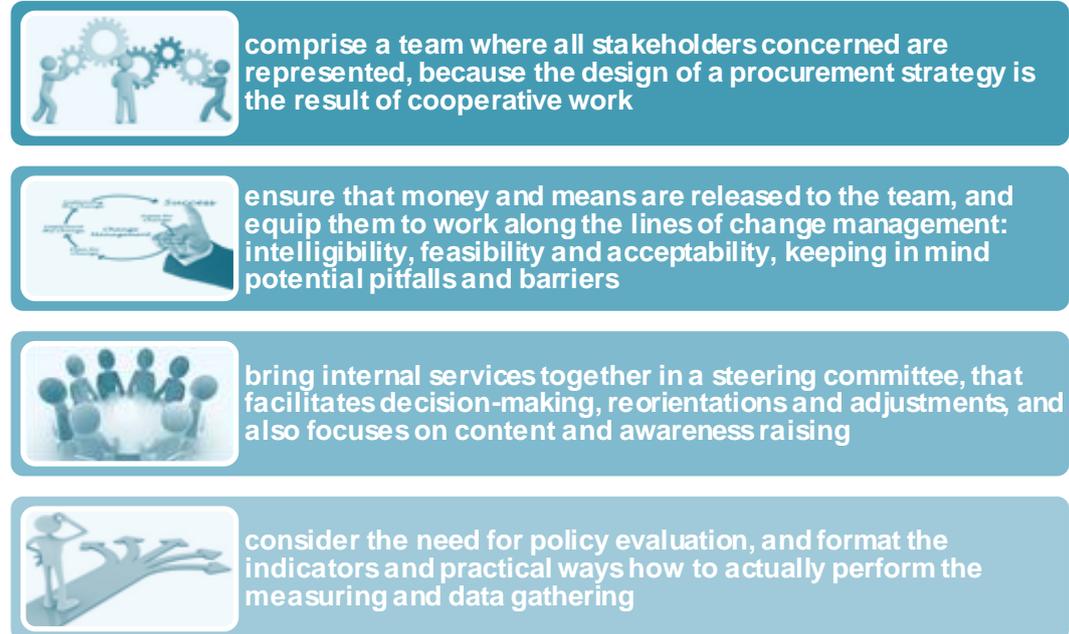
Most preferably, the public procurement strategy is part of the general/overall strategy or directly reflects the main focus areas of the overall strategy. Usually the strategy is made for election term, which is quite a short time in the light of public procurement process, where the preparation phase might be even years and a usual time period for procurement contracting is four years. Therefore it is advisable to identify the strategic goals in the long-term and make a roadmap including sub-goals scattered in several election terms. When choosing the strategic goals and sub-goals it is important to format the indicators and practical ways how to actually perform the measuring and data gathering

at the same time. Equally important is to link the process into overall management processes and decision making.

5.6 To do list: the process

So, in order to develop an effective working process, take the following steps into account.

Figure 6 Process of building a procurement strategy



5.7 Building the actual procurement strategy – methodology

The actual building of the procurement strategy entails a methodology wherein certain steps are taken that lead to defining the component parts of the strategy. A baseline measurement is the starting point of a continuous improvement process, in particular with regard to setting priorities at the start. Identifying strategic purchases and scoping the legal and technical feasibility of solutions are helpful in the build-up of the strategy.

5.7.1 Performing a baseline measurement – identifying the procurement maturity of the city

When starting a process of creating a procurement strategy or a strategic procurement roadmap, a good starting point is a self-assessment of the organization's current situation in procurement related issues, i.e. its procurement maturity-level. This gives an insight into which issues need (more) attention and also guides the city towards the preferred path. An assessment of the level of maturity helps to know the current effectiveness and supports figuring out what is needed to improve the performance. An analysis of the current situation therefore sets the baseline for measuring and evaluation.

The analysis also gives good back-bone to be able to choose the relevant strategy focus areas. It might be also useful to coordinate the strategy goals, indicators and evaluation process with other (same region, same size, same demography/economic situation) cities or even with regional or national government. Maybe the most important issue is linking the public procurement strategy into general everyday management processes and decision making.

As part of the baseline measurement it is recommendable to make a plan how the mid-term evaluation is made and how the outcome of the evaluation is taken into account to re-shape the procurement strategy.

In Section 6 the performance of a self-assessment by way of a baseline measurement is explained in more detail. Annex 1 contains an example of a self-assessment tool.

It is also important to ensure that any Strategy, whether it be about Economic Development, Skills, Environment or Procurement is shaped and framed by evidence. Before any of the other stages outlined in this Guide, Cities should gather a Baseline understanding about their Procurement Spend. This should include three aspects.

- Aspect 1 – Cities should gather a Baseline understanding of how they currently undertake Procurement including:
 - How much they spend in total on an annual basis and the split between Capital and Revenue, and the types of Goods, Services and Works that they buy;
 - What types of procedures they utilise for Procurement currently – how many contracts are directly awarded; how many use Public Procurement of Innovation; and how many use a Competitive Dialogue process;
 - Their current thresholds for low value contracts and whether for example, they have different Procedures for opportunities below 50,000 Euros, for example, where bids are required from 3 SMEs.
- Aspect 2 – Cities should gather a Baseline understanding of where their Spend goes, as outlined in the Action Paper on 'Measuring Spend and Wider Impact' {[ADD LINK](#)}. There are three key pieces of evidence to Baseline:
 - Where Procurement Spend goes geographically – for example, how much and what proportion of Spend is with businesses and other organisations based in the City Boundary;
 - Where Procurement Spend goes in Sectoral terms – for example how much and what proportion of Spend is with businesses and other organisations in Construction;
 - Where Procurement Spend goes in Type of Organisation terms – for example, how much and what proportion of Spend is with SMEs.
- Aspect 3 – Cities should gather a Baseline understanding of whether wider output data is collected from their Suppliers and whether Wider Impact is measured, and in turn how this is undertaken. For example, they could be collecting data around:
 - The number of jobs that Suppliers have created for unemployed people;
 - The number of talks that Suppliers have provided in Schools;
 - The number of hours of Volunteering the employees of Suppliers have undertaken

All of the above aspects of evidence, where available should be used to inform the following stages of developing the Procurement Strategy and in particular be used to inform the chosen Strategic Priorities.

5.7.2 Setting of priorities, in particular for separate purchasing categories

The procurement strategy is defined both by its strategic vision and its effective translation through a prioritization of objectives and purchasing categories. This work provides operational buyers with clarity to identify new expectations and specify the pace of work.

This is a challenging phase because it involves making choices and therefore relinquishing certain options. The choice hinges on a number of parameters: the purposes of public policy, the necessity or potential benefits of working with businesses, the ability of the supplier market to offer solutions, the internal capacity for managing the project and guiding the operational departments, etc.

Because the priorities and orientations are not necessarily the same from one purchasing category to another, the priorities are set for each individual purchasing category. The achievement of objective sheets by purchasing category is an interesting element to structure the design and implementation of the strategy. Ideally, these sheets are developed with each pilot buyer in order to fully involve them in determining the objectives and therefore the feasibility. But for reasons of time or initial acceptance of the approach, this is not always possible.

One way to go about this is to categorize the purchases that are needed (category management), and then labelling these categories in relation to the impact purchases have on realizing the city's objectives. The Kraljic matrix is a much used portfolio management model for doing this. It maps the impact of a purchase in realising set goals, taking into account the supply risk of a procurement. So-called leverage items with a high impact and a low supply risk generally offer a high potential for making a significant difference. Of course there are other ways to categorize and prioritize procurements. As long as an analysis is made of how purchases deliver on a city's goals, a ranking of procurement both in time, pace and intensity is possible.

Alongside portfolio management and a ranking system a city will need to explore the market situation with regard to goods and services that are needed to accomplish the set goals. This involves a thorough investigation into the (local) conditions, such as the type of companies that can supply products, the amount of businesses available and the general workings of certain markets. Existing networks of suppliers and economic operators have to be explored. Market consultations, round table conversations or structured talks with the market sector are all ways to get an insight into and make the connection with economic operators and market parties. An innovation procurement broker can be helpful in performing this task (see more about this subject in *Innovation Procurement Broker* document on <https://ec.europa.eu/futurium/en/public-procurement>.)

Also, it is important to define whether the action initiated is handled as an experimentation or innovation – which implies lengthy studies but highly targeted implementation – or as a more all-encompassing action that consists in designing the contractual arrangements and replicating them extensively on the markets. This is because the resources involved are not calculated the same way, and this has a major impact on the way the internal procurement services are involved.

Procurement strategy is then translated into a specific approach for each purchasing category, within which the various orientations set as priorities are identified along with their implementation framework (experimentation, innovation or deployment) and the different legal tools or technical solutions adopted. The following table illustrates this work.

Table 2 How to set priorities see also *Legal framework document on <https://ec.europa.eu/futurium/en/public-procurement>*

| Type of purchase | Focus area | Type of action | Legal tool | Operational tool |
|---------------------|--------------------------------|-----------------|---|--------------------------|
| Purchasing category | Strategic orientation / goal 1 | Experimentation | Innovation partnership | |
| | Strategic orientation / goal 2 | Recurrent | Performance condition + award criterion | Use of European Ecolabel |

5.7.3 Identification of strategic purchases

This is a two-pronged endeavour, following the prioritization of objectives and purchasing categories. First, the mapping out of procurement to identify the strategic purchases in terms of financial volume (maximum influence). This can also include purchases that represent more modest sums, but which are highly symbolic because of the objects themselves or their recipients. At the same time, the buyer should examine the public policies it implements and work out how public procurement can boost the actions conducted, either to spark changes in the businesses and their practices, or to promote those businesses that have already changed or taken steps towards change.

5.7.4 Identification of technical and legal feasibility

Without going into too much detail at this stage, it is important to identify, very early in the process, which contractual solutions correspond to the strategic orientation, either technically (existing solution or innovation) or legally (the most appropriate legal tool to use). This phase can also be used to carry out benchmarking with other buyers and share experience.

5.7.5 Consultation of internal and external stakeholders

The consultation phase can start right from the beginning of the process, but it is particularly essential when finalizing the strategy and ensuring its acceptability for both the internal buyers and the economic operators and trade federations.

External acceptability relies primarily on three parameters:

1. First, the actions already taken by the economic sector under consideration. If the planned procurement strategy generates major differences (either by undermining the actions taken or by not taking them sufficiently into account), these differences will lead to disincentives and operator frustration with the perceived lack of consideration.
2. Next, procurement strategy has a decisive impact on access to public procurement. Will economic operators see the conditions for their access to public procurement become more complicated? Are further studies or new skills required? How will the economic operators themselves train their staff to address the new strategy? All of these questions involve identifying the negative impacts of the strategy on businesses' response to the market.

3. Thirdly, the procurement strategy's impact on competition is also a key consideration. Adding an award criterion or changing its weighting can skew competition. Now, if a business sees that the new criterion will not be to its advantage, it will think it has to lower its price to remain competitive.

Internal acceptability is based on a rather similar approach with three parameters:

1. The first concerns the market leader's scope of action. Is it up to the market leader to adjust to the new orientation, or can it rely on outside help to guide it or even take charge of the change of practice? In the first case, the market leader must bring in new skills or knowledge, change the way it operates and broaden its scope of responsibility. In the second case, outside guidance and support works like subcontracting may not even lie within its scope of responsibility.
2. The second parameter concerns the scale of the change of practice. The bigger the difference with current practice, the more the internal managers may feel either challenged or, on the contrary, destabilised and losing their bearings in their profession and their role.
3. Lastly, the operational manager should be particularly vigilant about the impacts of this change of practice on the contract award conditions, whether it is the degree of competition, the conditions for monitoring and checking contract performance, or the prices.

5.7.6 Pursuance of a continuous improvement process

Strategy implementation necessarily implies a continuous improvement process and therefore qualitative and quantitative assessment. This requirement to measure performance has far-reaching consequences, since it implies setting up an organization and tools for collecting and processing data. It also implies defining the level of measurement: do we want a macro approach (the number of markets that include an environmental clause) and/or the volume of eco-certified raw wood over the past year? The complexity of the information system also depends heavily on the buyer's degree of decentralisation and hence the level at which data is collected.

The next step is to determine the scope of the assessment, which is communicable. This provides feedback for both internal and external stakeholders, and makes it possible to take further action towards continuous improvement. This is an important factor from a managerial viewpoint and helps maintain constructive relations with the economic operators. There are also many awards and prizes to recognise local authorities that take action and achieve results, whether in sustainable development or innovation. They are also a means of motivating and recognising stakeholders and a particular region.

To conclude, the proposed methodology yields a summary presentation of procurement strategy in the following form:

Table 3 Summary of a procurement strategy

| Type of purchases | Focus area | Type of action | Legal tool | Operational tool | Assessment indicator |
|---------------------|--------------------------------|-----------------|---|--------------------------|--|
| Purchasing category | Strategic orientation / goal 1 | Experimentation | Innovation partnership | | |
| | Strategic orientation / goal 2 | Recurrent | Performance condition + award criterion | Use of European Ecolabel | Percentage of eco-responsible products |

5.8 To do list: methodology of building a procurement strategy

In consecutive order the following steps need to be taken, that lead to defining the component parts of the strategy.

Figure 7 Steps in the methodology of building a procurement strategy



5.9 Implementation in management processes

The incorporation of the procurement strategy into the managerial processes of a city requires making decisions about its organization, the deployment of resources and the application of tools. Methods of measuring the impact of spend must be determined, to come full circle.

5.9.1 Decision about an organizational model

Several organizational models co-exist within the local authorities. Public procurement can be organized at a central or a decentral level or a combination of both, according to the missions and tasks to be carried out. In addition, some purchasing categories are by nature cross-cutting and involve several users in different departments, each with their own needs.

The nature of the local authority's internal organization has a strong impact on its capacity to take action. Indeed, it is then up to the local authority, in view of the centralised or decentralised organization, to build a collaboration with internal users to disseminate and apply the procurement strategy in an operational way. This support for change allows for various positioning options, ranging from a decision-making process in which the purchasing department can decide on actions to a contributory process in which the purchasing department proposes, recommends, negotiates and submits decisions in order to strike a balance between its purchasing strategy and other equally

strategic objectives. In all cases, but especially in the latter, the implementation of the purchasing strategy by the general management is a key success factor. It ensures that a balance is struck between contradictory objectives, making it possible to reflect the local authority's real desire for change.

5.9.2 Scope available resources

Implementing a procurement strategy in the management processes of a city's organization also involves scoping available resources. It entails research into the number of employees working in the organization to deliver upon procurement and their competencies. The European Commission is developing a tool that estimates if necessary, knowledge and experience is available within a contracting authority.

Also, budgets must be regarded, as well as procedures along which procurement is performed, taking into account roles and responsibilities (RACI-analysis). Public procurement of innovation for example can take longer to perform and brings with it issues that need thorough investigation. This must be taken into account in advance. Actual commitment of key players, such as politicians, managers, budget holders and other employees concerned, is a prerequisite. Contract management needs to be considered. But also the money and means available to invest in matters such as digitalization.

At this stage it is a rough estimation of available people and resources, but it is needed in order to link the available money and means to the choices that are being made. It also provides an opportunity to come up with alternative solutions when bottlenecks have been identified, such as the collaboration in a local cooperation centre where knowledge and expertise can be exchanged, or linking with other cities in joint procurements. Also, the adjustment of processes in order to facilitate procurement processes.

5.9.3 Measure the impact of spend

Last but not least a city will have to think about a methodology with which to measure the impact of its spend. Making choices in public procurement comes full circle when spend can be analysed and put into perspective with regard to its impact and benefits (see more on this subject on <https://ec.europa.eu/futurium/en/public-procurement>.)

Measurement of Spend and Wider Impact should be a key consideration in each of the stages of the development of the Procurement Strategy as outlined above. Cities need to understand what success looks like in relation to a Procurement Strategy. Is success increasing the number of times in which a Public Procurement of Innovation approach is utilised? Or is it about increasing the proportion of Spend with SMEs? Or is it about increasing the number of job that Suppliers create for Unemployed residents.

No matter what the measure of success is, Cities need to find a means of Measuring Spend and Wider Impact and comparing improvement to the Baseline position as described in section 5.7.1. As outlined in the Action 7 Paper on Measuring Spend, there are two main ways of doing this. The first is to use a Spend Analysis Tool to measure on an annual basis where Procurement Spend goes geographically, sectorally, and in business type terms. The second is to collect output data from Suppliers about how they are delivering against wider Strategic Priorities through the process of Procurement, and use on of the myriad of available Tools to measure Wider Impact.

If Cities are serious about Measurement, then it needs to be a core component at each of the stages of the Procurement Cycle, so during Strategy Making, Commissioning, Tendering, Decision-Making and Monitoring. Lots more information about this is detailed in the Action 7 paper.

5.10 To do list: implementation into the management processes

Figure 8 Implementation into the management processes



6 The operational level: How to go about it practically?

The practical application of the procurement strategy requires a set of measures at an operational level. How does one measure the procurement maturity of an organization? What actual competences for professionals in public procurement are required? And how does a successful cooperation with market parties work?

6.1 Identifying maturity

As was stated before, when starting a process of creating a procurement strategy or a strategic procurement roadmap, a good starting point is a self-assessment of the organization's current situation in procurement related issues, i.e. its procurement maturity-level. This gives an insight into which issues need more attention and also guides the city towards the preferred path. An assessment of the level of maturity helps to know the current effectiveness and supports figuring out what is needed to improve the performance.

6.1.1 Elements of maturity

It is important to understand what elements the maturity comprises: vision & leadership, organization, people, measuring spend. All these elements are required in order to successfully proceed with the strategic procurement at a more mature level.

Vision & leadership

A vision states the dot on the horizon and sets a defined direction for growth and development. It encompasses general policy goals and objectives, and specific goals and objectives for procurement. It sets priorities and contains a path via an action plan. Leadership is the ability to guide other individuals, teams, or organizations into the right direction. Above all, leadership requires commitment.

Organization

The organizational elements of maturity address the available methods and means for procurement. It entails the processes or procedures, the involvement of the market, contract management, tools and systems to support procurement, and tasks and activities. Goals and objectives without resources are an empty pretence.

People

This element of maturity looks at the task of organising employees and teams to optimise performance. It looks at the different roles of professionals working in procurement and the availability of specialised knowledge and competences. In the next Section, this element will be addressed further.

Measuring the impact of spend

See also *Measuring Spend* document on <https://ec.europa.eu/futurium/en/public-procurement>.

Measuring spend is an important way of understanding how much organizations are spending on procurement, where the spend goes and who it is spent with. Via this element, the impact can be established, and the course of action adjusted. Any successful approach to procurement and policy evaluation will adopt a cyclical approach and aim at continuous improvement

6.1.2 Stages of maturity

After the elements of maturity are analysed and scored, the stage of maturity in procurement can be identified:

1. **Ad hoc:** focus on buying goods, works and services (fulfilling the purchasing needs)
2. **Reactive:** focus to comply to rules and regulations (risk avoidance)
3. **Anticipating:** focus to achieve better value for money (better quality, cost reduction and efficiency)
4. **Proactive:** focus to achieve better value for money and achieving general policy goals
5. **Strategic value:** focus to achieve better value for money and achieving general policy goals, as well as to address future challenges, such as the digital transformation, circular economy, changing demographics, energy transition

In the Annex a self-assessment tool for the maturity of public procurement is supplied.

Figure 9 Continuous improvement in leadership and management



6.2 Professionalization of the workforce

Professionalization of the public procurement workforce has been identified as an important path to improve outcomes in terms of value for money, efficient procedures, as well as impactful procurement. However, there are a number of challenges to overcome in promoting professionalization and overall human resource management.

Procurement is often not a clearly defined job function with a corresponding career path. A usual finding is a lack of leadership and management, because procurement is not seen as a professional function. Instead, it is frequently conducted as an additional task by civil servants that may lack specific procurement-related skills. Furthermore, business-related skills are often underrated in the public administration resulting in a more legalistic, compliance-focused approach. In all, this usually leads to a situation where there is a lack of procurement competencies and skills in every level of the organization, from a top-management/political level to department directors/managers and technicians.

The ISO 20400:2017 methodology can help identify how to organize procurement function in an organization. The OECD has also developed a useful guidance, called “How to Elaborate a Procurement Capacity Strategy”.

6.3 Competences for Professionals in Public Procurement

Competence is a set of characteristics and skills that enable and improve the efficiency of performance of a job. Competencies needed for professional procurement can be categorized in different ways. The most important feature is that not one single person has all the required competencies, but an procurement unit as a whole should have these, at least in long term. Another approach is to have access to required competencies by local or regional collaboration.

By using the European Competency Framework (ECF) for Public Procurement Professionals (PPP), an insight can be gained into which procurement competencies are already available. The framework also allows for information about educational targets, and for scorecards and personal development discussions between superior and employees.

The ECF-tool can also come in handy for identifying which competencies might be more important for changing strategic procurement goals. For example, for traditional procurement, the emphasis will be on competencies such as Legislation, Ethics and compliance, Needs assessment and Technical specifications. For circular procurement, there's a shift of the importance of competences towards Market analysis and engagement, Procurement of innovations, Supplier management and Stakeholders relationship management.

Types of competencies, as identified by the ECF for PPP

Procurement-specific competencies encompass the competencies necessary at each stage of the public procurement lifecycle. They are derived from the knowledge and skills required to perform the main tasks and activities of a procurement stage.

- Professional competencies represent the soft skills public procurement professionals should have in order to master procurement specific competencies. Hence professional competencies

complement procurement specific competencies. By nature, professional competencies are transversal competencies.

Cluster of competencies, as identified by the ECF for PPP

- The horizontal cluster encompasses competencies applicable to all stages of the public procurement lifecycle.
- The pre-award cluster includes all competencies required to perform all the tasks and activities taking place before the award of a public contract.
- The post-award cluster contains competencies necessary during and after the contract management of procurement.
- The self-cluster captures the behaviours, skills and attributes, public procurement professionals should possess, as well as the mind-set they should display according to their job profile.
- The people cluster comprises those competencies enabling public procurement professionals to interact and cooperate with other professionals, and to do so in the most professional manner.
- The performance cluster includes all competencies public procurement professional need to have in order to make their procurement economically performant.

6.4 Cooperation with economic operators / companies

See also *Innovation Procurement Broker* document on <https://ec.europa.eu/futurium/en/public-procurement>.

The design and implementation of a purchasing strategy necessarily raises the question of its acceptability, that is to say its ability to effectively involve both buyers and companies applying for public procurement as a result of it. It is worth reiterating that most of the local authority's purchases (works, cleaning services, security services, etc.) are procured within the local area or within a geographical radius close to that of the local authority.

The purchasing strategy, as with any change management, will be all the more effective if its actors have been involved from the outset and have thus taken advantage of this process to make progress in their approach, to help identify the work that needs to be done and to accept risk taking.

6.4.1 A working group with local economic networks

Thus, it is particularly recommended to set up a working group with local economic networks. The choice of these partners naturally takes into account the local authority's purchasing mapping and will thus ensure that the main economic networks involved in the markets it launches are involved. It is also important to form a diverse group of companies that can be particularly invested in topics such as others that will be more resistant to public procurement carrying a strategic vision that will potentially be perceived as intrusive in the management of the company.

6.4.2 Purpose and governance with economic networks

Once the group is formed, the first two topics to be addressed are 'purpose' and 'governance'. 'Purpose' aims to specify the goals pursued, the reasons for initiating change and the expected result. 'Purpose' is not necessarily consensual because it expresses the legitimate will of the local authority's elected representatives and constitutes a manifestation of public action. These details will be more easily discussed. 'Governance' defines the roles of everyone involved and the nature of the dialogue

initiated. It is a matter of focusing on operators' degree of involvement in designing this public strategy. The extremes of this focus are on the one hand a straightforward overview once the strategy has been drawn up without even seeking a logic of approval and on the other hand a perfect co-development of public action where the local authority has a voice on the same level as each stakeholder in the local area. There are many factors that determine this focus, including the maturity of the local area on strategic issues, the existence of corporate initiative, the culture of collaboration on public action, and so on. Governance is a matter of balancing the local authority's ability to maintain control over the purpose and effectiveness of the change undertaken with the companies' ability to influence the pace, methods and, where necessary, to prioritise the purpose depending on the degree of ambition it embraces.

Given the cultures of collaboration in the local areas, it comes as no surprise that such a working group needs to learn about each other's environments at an early stage and that the field of public procurement is often misunderstood by companies: regulatory framework, capacity for taking action and so on.

6.4.3 Sharing the public procurement strategy

It is only logical that the working group will discuss matters such as the content of the objectives, the actions to be taken, the methods of response expected from companies, the schedule and the requirements or prerequisites. It is important to remember that, for the company, a new purchasing strategy represents a risk or an opportunity with regard to its market share. In fact, the local authority will often have the foresight to maintain an inclusive approach to its purchasing strategy that allows everyone to evolve and adapt. The introduction of new award criteria may thus be perceived as too aggressive because it has a direct impact on companies' choices. However, the purchasing strategy cannot be based solely on the goodwill of companies and must produce a tangible result. Local authorities and companies will thus be able to negotiate the most appropriate terms, obtain concessions whether it be related to greater openness to variants for example or other issues.

6.4.4 Recognition and ambassador

It is recommended that this purchasing strategy be accompanied by an approach that appreciates companies and their actions. Such action is not necessarily the responsibility of the local authority and can be carried out by the economic networks themselves. This appreciation thus aims to motivate, involve and reward those who take action. If it can build its legitimacy on the recognition of the best, this is not the only way to recognise and appreciate the best. The definition of different categories will provide a means of responding to different involvement challenges. It is worth emphasising the notion of "ambassador". This recognition is not necessarily based on a level of results achieved but can also be based on a logic of internal and external commitment and helps to enhance the value of a company that is committed. And it is worth remembering that the notion of exemplarity can have legitimacy based on the performance achieved as well as on the commitment to be made and the seriousness of the action plan carried out even if the company is a fledgling one.

Public procurement regulations do not always allow these appreciation tools to be taken into account. The directive sets limits on the ability to factor in labels, prizes and awards. Nevertheless, obtaining them will most often reflect the company's ability to complete its technical brief and its conditions of execution on the actions it can carry out during the contract, which will then allow them to be taken into account within the framework of the contract.

6.4.5 Governance in the longer term

This appreciation is both a tool for getting people involved and providing information as well as a tool for keeping the process going over time. The working group is intended to last over time and, above all, to be regularly renewed. It is an essential component to critically assess the actions carried out, to re-examine the ambitions, the actions carried out and the pace of change. This makes it possible to adapt to new priorities while maintaining actions over time. The strategy cannot be based solely on a short-term outlook and will have to deal with different time scales.

The life of the group also provides a means of modifying and tailoring governance in such a way as to recognise the actions carried out by operators and networks.

It is undeniable that the collaboration of economic operators in the design and implementation of the purchasing strategy is a key factor for success. The next step is to adapt the intensity of this co-operation to each local area, to the make-up of the economic fabric, to the priorities identified for this ecosystem and to its ability to collaborate.

7 Concluding remarks

1 Public Procurement is a powerful tool for spending public money

Public Procurement is not only a legal tool, purely an economic and administrative exercise. It becomes a powerful tool for spending public money in an efficient, sustainable and strategic manner and for driving the development of innovation. Many cities consider PP as a strategic tool to address their economic, social and environmental challenges and to set up their policies. They need to shape a PP strategy but many of them, especially small and mid-sized cities, don't know why, how and what they have to do. This strategy must stem from the local global strategy and be connected to the institutional, economic and regional environment, it must be clearly tailored to the own local public policies and challenges. Internal (public buyers) and external (businesses) aspects should be taken into account. A PP strategy has to be consistent, precisely defined, publicized. It can be either very ambitious or progressive and pragmatic with a continuous-improvement approach.

2 Your Strategy needs the commitment of everyone at strategic, tactical and operational level

- raising political awareness; change management of staff; internal feasibility and maturity assessment; acceptability by stakeholders
- a tailor-made strategic vision with prioritization of themes, targets and actions
- a political delegation, a purchasing committee, involvement of and support by the general management
- a stable, practicable and achievable formalized strategy as part of the overall strategy, as framework and roadmap for the city defining expectations, goals and objectives; measurement of spent and assessment with specific indicators
- an internal organization that fits to the purpose of a strategic approach with the right human and budgetary resources allocation, skills and competencies within the city departments.
- measuring the impact of spend

3 6 steps to build your Strategy

- Identifying the procurement maturity of the city – a self-assessment as baseline for measurement and evaluation
- Setting of priorities for each purchasing category with each pilot buyer; exploring the market situation
- Identification of strategic purchases
- Identification of technical and legal feasibility

- Consultation of internal and external stakeholders, getting their acceptability
- Pursuance of continuous improvement process – setting up a quantitative and qualitative assessment

4 Recommendations towards the European Commissions and Member States

- Cities need support from Member states and the European Commission to shape and to implement their procurement strategy
- Cooperation and competence centres or platforms at European, national, regional or local level should be the right places to disseminate the guidance toolkit and to organise cooperation between local authorities and awareness and training activities
- National and European networks of local authorities should organize information, seminars and events about Innovative and Responsible Public Procurement.

8 Annex 1: Self-assessment-tool of the maturity of public procurement

8.1 Vision & leadership

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|---|---|---|---|--|---|
| general policy goals | The general policy goals and objectives have no link with procurement | The general policy goals and objectives have no or occasional links with procurement | The general policy goals and objectives have a link with procurement, but that link is not structured | The goals and objectives for procurement are mostly aligned with the general policy goals and objectives | The goals and objectives for procurement are perfectly aligned with the general policy goals and objectives and make choices |
| goals and objectives for procurement | No specific goals and objectives for procurement | The goals and objectives for procurement target individual purchases (mainly cost reduction and efficiency) | The goals and objectives for procurement are aimed at better value for money in general (better quality, cost reduction and efficiency) | The goals and objectives for procurement are mostly aligned with the general policy goals and objectives | The goals and objectives for procurement are perfectly aligned with the general policy goals and objectives and make choices |
| assessment framework to prioritize and make choices | No prioritisation of goals of objectives | Haphazard prioritisation of goals of objectives | there are some guidelines in the prioritisation of goals and objectives | The prioritisation of the goals and objectives are supported by an assessment framework | The prioritisation of the goals and objectives are supported by an assessment framework for each individual purchasing category |
| clear and precise action plan in the near, medium-term and long-term future is effective for each | No action plan is effective | No clear and precise action plan is effective | A clear and precise action plan for the near or medium-term future is effective | A clear and precise action plan for the near, medium-term and long-term future is effective | A clear and precise action plan in the near, medium-term and long-term future is effective for each |

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|--|---|---|--|---|---|
| purchasing category | | | | | purchasing category |
| The effectiveness of the procurement strategy is evaluated on a regular basis and adjusted accordingly | No evaluation of the procurement strategy | Occasional evaluation of the procurement strategy | Some evaluation of the procurement strategy | The effectiveness of the procurement strategy is evaluated infrequently | The effectiveness of the procurement strategy is evaluated on a regular basis and adjusted accordingly |
| commitment of stakeholders | No identification of stakeholders | Not all stakeholders are identified and involved | Most stakeholders are identified and involved | All stakeholders are identified and involved | All stakeholders are identified, involved and committed |
| commitment of decision makers | No involvement of decision makers | Decision makers are involved, but not fully committed | The decision makers are committed (mostly to better value for money) | The decision makers are predominantly aware of the added strategic value of procurement and act accordingly | The decision makers are convinced of the added strategic value of procurement and act accordingly. There is political management of the procurement strategy. |

8.2 Organization

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|----------------------|---|--|---|--|--|
| focus of procurement | Procurement is solely focussed on buying goods, works and services (purchasing needs and costs) | Procurement is focussed on procedures to comply to rules and regulations | Procurement is focussed to achieve better value for money | Procurement is focussed to achieve better value for money and achieving general policy goals | Procurement is focussed to achieve better value for money and achieving general policy goals, as well as to address future challenges, |

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|-------------------------------|--|--|---|--|---|
| | | | | | such as the digital transformation, circular economy, changing demographics, energy transition |
| structure of the organization | Procurement is not organized | Procurement is organized at the level of individual departments | Procurement is structured through the entire organization | The organizational structure has been reviewed with the effects for procurement in mind | The organizational structure has been reviewed with the effects for the entire supply chain in mind (inside and outside the organization) |
| processes or procedure | No processes or procedures, no established conduct of purchasing | Processes and procedures exist in established conduct, but are not documented | Processes and procedures are documented and implemented | Processes and procedures are documented and implemented. Major procurement decisions are determined by a multi-function team | Processes and procedures are documented and implemented. Major procurement decisions are determined by a multi-function team. Strategic goals are embedded in the processes |
| roles and responsibilities | There are no fixed roles and responsibilities, it varies from person to person | There are no fixed roles and responsibilities, it varies from department to department | There are fixed roles and responsibilities in the organization, but they are not documented | Fixed roles and responsibilities are documented and implemented | A fixed set of roles and responsibilities in line with a RACI-analysis is effective |

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|---|---|---|--|---|--|
| Market involvement: procurement strategy | No market involvement | Occasional market involvement for individual purchases | Frequent market consultations regarding purchases are executed, no fixed strategy towards the market is in place | Strategy about market involvement regarding purchases is effective, such as frequent exploration of the market situation and market consultations | There is strategy about market involvement regarding procurement in general, such as cooperation in strategic procurement goals and objectives (e.g. consultation about feasibility of and shared responsibility for the policy goals) |
| Contract management | No monitoring of agreements | Agreements are overseen (performance) | Contract management is introduced | Contract management is in place with well-defined ownership and accountability | Contract management is in place with well-defined ownership and accountability. Strategic goals are an integrated part of contract management |
| specific tools and systems to support procurement | No digital tools and systems to support procurement | Only generic tools and systems to support procurement, no specific tools are introduced | There are several specific tools and systems to support procurement, it varies from department to department | The same specific tools and systems to support procurement are used in the organization | The same specific tools and systems to support procurement are used in the organization. They are linked with the tools used for measuring spend |



| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|----------------------|---|--|---|--|---|
| tasks and activities | Simple tasks and activities of public procurement are being carried out | Recurring public procurement tasks are being carried out | Public procurement processes are entirely carried out | Public procurement processes are entirely carried out, with conscious key decisions at different stages. Complex and less frequent tasks and problems are addressed. | Public procurement processes are entirely carried out, with conscious key decisions at different stages. Complex and less frequent tasks and problems are tackled using innovative methods and approaches |

8.3 People

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|------------------------------------|---|---|--|--|---|
| dedicated procurement professional | No dedicated procurement professionals | There are some dedicated procurement professionals, mostly stand-alone with little contact with one another | There are sufficient procurement professionals, who share knowledge with one another | There are sufficient procurement professionals, who collaborate with one another | There are sufficient procurement professionals who collaborate actively with one another and thus contribute to the strategic impact of procurement in the organization |
| workload | The staff is focussed on getting the individual purchases done (they lack basic competencies) | The procurement professionals are focussed on tackling workload, no room for development | The procurement professionals are focussed on tackling workload, with some room for development of knowledge, skills and competences | The procurement professionals are handling both the workload as well as the development of knowledge, skills and competences | The procurement professionals are handling both the workload as well as development of knowledge, skills and competences. The procurement |

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|---------------------------|--|---|---|--|---|
| | | | | | professionals keep abreast of latest developments by attending and participating in key events |
| availability of knowledge | Only basic factual knowledge of procurement is available | Factual and theoretical knowledge of procurement is available | Advanced practical and theoretical knowledge is available | Advanced practical and theoretical knowledge is available, as well as some comprehensive, specialised, practical and theoretical knowledge | Comprehensive, specialised, practical and theoretical knowledge at the most advanced level of the public procurement field is available |

8.4 Measuring Spend

| | Ad hoc | Reactive | Anticipating | Proactive | Strategic value |
|------------------------------|--|---|---|--|---|
| Monitoring | Measuring of spend is either non-existent or happens inconsistently and infrequently | Measuring of spend happens infrequently | Measuring of spend is standardised and consolidated | Measuring of spend is optimised for evaluation of the impact | Measuring of spend is optimised for continuous improvement |
| Room for a cyclical approach | There are no documented measurements | The measurements are documented | The measurements are documented in a structured way | The measurements are used for improvement of impact for next purchases | The measurements are used for continuous improvement of procurement |

9 Annex 2: Case descriptions

9.1 City of Preston: The need and importance of the assessment of procurement strategy

9.1.1 *The result / issue*

The City of Preston has recognized that public procurement can address social and economic challenges. One method is to use spend analysis as a tool to analyse where spend goes from the point of view of geography, sector and business size. This work is undertaken with other important Preston based organizations that the City calls anchor institutions.

9.1.2 *What was changed or made differently*

The focus on public procurement started almost ten years ago. Due to economic problems the City of Preston had that time, the local government authority (Preston City Council) wanted to make big changes at a strategic level. The City Council decided that instead of being reliant upon central government funding, the city should understand and harness the wealth that it already has at its disposal to enable local economic, social and environmental benefit. That was a notable change to the traditional way of thinking. As a result the city updated the procurement strategy and the way the cooperation with the important organizations in the city was done.

One of the core drivers was a desire to co-work anchor institutions that would bring benefits for the Preston. Anchor institutions are Preston based public and private organisations that are committed to working together for the success of the city. This has been an effective way to share the know-how of strategic procurement. However, the setting of shared goals was not easy at first.

The other important aspect was that the city wanted to monitor and analyse the results at a detailed level. They used spend analysis to report on the following variables: 1) percentage of spend in defined geographies, 2) percentage of spend with particular industrial sectors and 3) percentage of spend with SMEs. In addition to those compulsory indicators, the city also undertook more detailed analysis concerning e.g. the extent to which the money leaking out of the defined geographical area is potentially influenceable. The spending analysis and recommendations for the further improvement were also shared with the anchor institutions.

The change required the personnel in the city to be motivated. The whole way of thinking needed to be realigned towards strategic procurement.

9.1.3 *What was needed for it*

Procurement has to be defined as a circular process. The procurer has to set goals for the procurement and throughout the contract period, the results and lessons learned need to be evaluated. The commitment of the political decision makers is the most crucial requirement for success. To make sure that the procurement responds to the needs, it is important to use service design as a method.

9.1.4 *Interview questions*

Interviewee:

Tamar Reay, Policy Officer at Preston City Council

- How easy has it been to get political parties and leaders to commit to the strategic procurement goals? What factors have supported the commitment of the political leaders?
- What have been the key factors to get anchor institutions to get excited and committed to the interaction with the city?
- What has been the main benefits from the buying analysis?
- What would be your recommendations for the two main things municipalities should do to assess the success of procurements?

9.2 City of Larvik: The procurement strategy helps to develop procurement goals and processes step by step

9.2.1 *The result / issue*

The City of Larvik wanted to enhance the effectiveness of the money spent by the city. That required that goals set to the procurement were updated to a new strategic level. As a result the whole mind-set of the procurement is in change process in the city; it is not about buying, procurement helps to answer the societal challenges.

9.2.2 *What was changed or made differently*

One factor that have challenged the procurement at city level is that they identified kind of megatrends that are in-between the traditional municipal sectors from the city strategy point of view. Digital environment and innovations are examples of the themes. The clue is that the procurement organization might find new goals for specific procurement cases when societal big themes are systematically considered in the planning process. That helps to update the requirements to a new level.

The city started the work of changing the mind-set step by step. It has been useful to start with easy cases so that good results can be shown quite fast. Even though the city has its targets in societal aims, the economical savings are usually a strong proof and interests the city leaders. So the city measures and publishes the savings every year. Showing what can be achieved by new methods supports the work towards more ambitious objectives.

The city of Larvik has paid special attention to get the whole city committed. To spread the know-how and strategical thinking, the city has informal change agents who motivate and advise their colleagues. Also the procurement professionals profile has been boosted, the procurement officers can really make change and do some extra good for the city, it is not only about buying things and services.

9.2.3 *What was needed for it*

The city officials, both substance and procurement experts cooperate through the procurement process, starting from the planning of the procurement. They have combined teams for the planning of each strategically important procurement. The directors, also both the substance sectors and the procurement, have to be motivated and committed to the goals of strategic procurement. It is important to be patient, the change is slow and stable results needs to be done step by step.

9.2.4 Interview questions

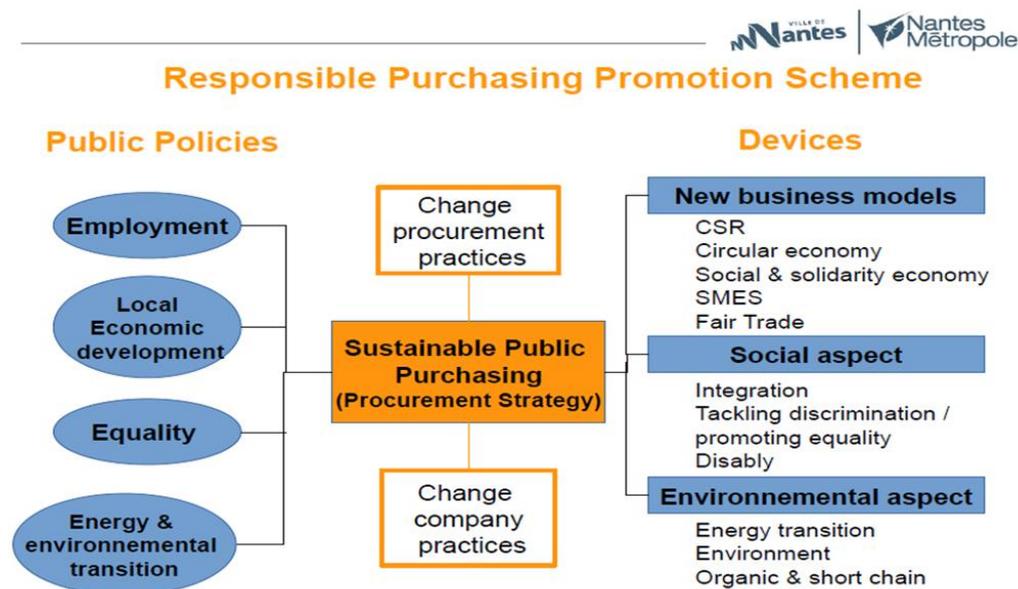
- City of Larvik has changed the mind-set of defining the aims of public procurement. What have been the most effective tools to motivate city officers to consider public procurement from new angle?
- You have emphasized the need to proceed step by step. Would you have some examples of how the this have worked? What have you done first and what have the next steps been?
- What would be your recommendations for the two main things municipalities should do when setting new strategic goals for the procurements?

9.3 Nantes Metropole: The implementation of procurement strategy – Concrete objectives and criteria motivate to look at procurement from a new perspective

9.3.1 The result / issue

The City of Nantes (population 630,370 – Western France) developed a responsible procurement policy nearly 15 years ago. However, it was only relatively recently that it set down its policy in a formal Responsible Purchasing Promotion Scheme¹, adopted in March 2017. The scheme endeavours to incorporate four major public policies into the city's purchasing operations and enlist its suppliers' support for: Employment, Local Economic Development, Equality, and the Energy Transition. Its three key focus areas are divided into 11 strategic orientations:

Figure 10 Nantes' Responsible Purchasing Promotion Scheme



The city of Nantes has a history of long-term development in responsible procurement. That includes strong emphasis of responsibility. Nantes aims to be at the forefront of economic, social,

1 French legal framework: LOI n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire - Art. 13

environmental and democratic regeneration by creating new models and tools and also integrating all relevant stakeholders in the procurement process. Objectives require that public procurement is viewed as more than just a technical decision, and that it is aligned with its political priorities.

Responsibility has been on the agenda since 2001 and the latest strategy was launched at 2017. The Responsible Purchasing Promotion Scheme (RPPS) covers the whole Nantes Metropole, however the City of Nantes has been the forerunner.

9.3.2 What was changed or made differently

The most important factors in the implementation have been the ability to set concrete objectives and to measure the results. That is enabled by criteria that are set to the economic, social, employee relations, environmental and governance themes. Every category has various detailed aims.

The implementation of the ambitious strategy needs resources. There are seven officials allocated to the support work, that includes the specialists of environmental and social clauses and responsible procurement process.

Also the political level has to be integrated to the development process. The relevant elected members of the Metropolitan Council of Nantes Metropolis are informed about upcoming investments in order to collectively decide on the environmental and social clauses that are to be preferred for each of them. A group of politicians also regularly evaluate the impacts of RPPS.

The City of Nantes has named ambassadors of Corporate Social Responsibility (CRS) who support the city organizations in the operative work to integrate social and environmental clauses into the procurement requirements. The network of CSR ambassadors works also with the procurement team.

Some units of the city have set their own more detailed objectives to the procurement. It has however been challenging to find a balance between economy and qualitative aims. That requires also a cooperation and mutual understanding of political leaders and city officials.

9.3.3 What was needed for it

It was important to identify priorities of objectives on strategic and operative level and measure the change and results of each procurement. Development of the procurement process as well as individual procurements needs to be resourced sufficiently. However the ambition level has to be adjusted to the amount of allocated resources. Ambitious objectives requires also the commitment of the private sector actors. Market dialogue and other interaction takes time and the upgraded level of requirements might call for new solutions.

Based on the above-mentioned methodology, here is a selection of the initiatives conducted by Nantes in two purchasing categories:

Table 4 Selection of the initiatives conducted by Nantes

| Type of purchase | Focus area | Type of action | Legal tool | Operational tool | Assessment indicator |
|----------------------------|--------------------------|---|--|---|--|
| Building construction work | Integration through work | Recurrent for operations > €500,000 (ex. VAT) | Performance condition + award criterion | Overseen by Integration Dept. | No. hours Job placement rate |
| | Energy transition | Recurrent | Technical specification | RT2012 standard | Reduction in energy consumption |
| | | Experimentation | Technical specification | Installation of a digital boiler | Reduction in energy consumption |
| | | Experimentation | Global energy efficiency market | 20% below RT2012 performance target | Reduction in energy consumption |
| | Circular economy | Recurrent | Technical specification + green worksite charter | Waste sorting | |
| | Environment | Recurrent | Technical specification + green worksite charter | Eco-certified raw wood; reduction in worksite pollution | |
| | VSEs/SMEs | Recurrent | Subdivision into lots | Compliance with trade principles | Rate of subdivision into lots |
| School catering | Organic | Recurrent | Performance condition + award criterion | Depending on product ordered | Percentage of eco-responsible products |
| | Short supply chains | Recurrent | Performance condition + award criterion | Depending on product ordered | Percentage of eco-responsible products |
| | Environment | Experimentation | Technical specification | Abolition of plastic containers | Technical feasibility |



9.3.4 Interview questions

Interviewee: Mayor of Nantes

- Nantes aims to be at the forefront of economic, social, environmental and democratic regeneration and uses procurement a tool to gain that. Has it been easy to set so forerunner goal and what has been the main challenges?
- New strategic goals are not easy to implement.
 - What has been your main actions?
 - What is the role of the city leaders in implementation?
- What would be your recommendations for the two main things municipalities should do to support the implementation of procurement strategies?

9.4 Lille European Metropolis: Centralized buying office requires new kind of cooperation of the municipalities

9.4.1 The result / issue

Municipalities of Lille European Metropolis have together established a buying office to serve all the municipalities of the Metropolis area in the beginning of 2019. The Metropole includes 29 municipalities of different size and also different basis and know-how as regards of the strategic and result based procurement.

The operative work of buying office has a background in procurement policy that includes four strategic main points:

1. A public procurement culture based on the economic and local development.
2. A pooling strategy at the service of an entire region.
3. A virtuous approach to innovation and sustainable development
4. An optimization of establishment's buying for an efficient administration.

The work has just started, but the expected gains relate both economical and quality aspects. A centralized model will most probably get prices and delivery cost to lower level. A more important thing is however the expertise municipalities are entitled to, that will result in lower risks and better quality.

9.4.2 What was changed or made differently

The buying office centralizes part of the procurements. Not all procurements are done by the office; the amount and sectoral focus differs. The buying office makes actual procurements on behalf of the municipalities and also offers support to them, whatever the need is.

To get the credibility among the private sector actors it has been important to get big municipalities to use buying offices services. At the same time it is necessary to include all the municipalities in the discussions. The centralized procurement needs a lot of interaction, so that all the aspects and challenges can be taken into account when planning the cooperation. It takes time to develop trust and smooth interaction. It's also important that there are enough resources allocated to the co-developing and discussions.

9.4.3 What was needed for it

The organization of the centralized model has to be as simple as possible. The most important success factor is the dialogue between the municipalities. The buying office needs to ask the municipalities of their needs and feedback systematically. Municipalities have different challenges, related for example to the size and location. All the points of view have to be taken into account seriously to gain the trust and open dialogue.

Interview questions

- What were the objectives in establishing the buying office?
- What have already been the benefits of joining the buying office for the municipalities?
- What would be your recommendations for the two main things municipalities should consider when establishing a centralized buying office?

9.5 City of Haarlem: The support of political decision makers helps to set the concrete aims high

9.5.1 The result / issue

The City of Haarlem has renewed its procurement objectives to give strong support to the sustainability and circular economy goals. The initiative derives from the political coalition programme that was made by the new city government in 2018. The aspect of responsibility has to be taken into account in all decisions.

The objectives are highly ambitious:

- By the year 2022 at least in 10 % of the procurements have circular economy goals.
- By the year 2025 at least in 15 % of the procurements have circular economy goals.
- By the year 2030 100 % of the procurements have circular economy goals.

The same goals are adapted in the surrounding 20 municipalities. That gives these municipalities the possibility to challenge the private sector to innovate new solutions and change the market.

What was changed or made differently

The political support is critical to the implementation. However, it is a challenging work and the change needs to penetrate every city organization. That requires both training the procurement specialist and part of substance officers and also recruiting new specialists.

It is important to support the substance organizations by offering examples of sustainability criteria and procurement documents.

In addition to the commitment of city officials it is important to have an ongoing dialogue with stakeholders that vary with each procurement. Because the procurements need actual innovative solutions to meet the sustainability and circular goals, the city has discussed with the private sector about the possibilities to respond to the needs and maybe change their products and business. Both the agenda and the timetable have been under discussion. Companies have been grateful for the opportunity to contribute to the city's strategic planning and that way maybe also create new cooperation possibilities.

9.5.2 *What was needed for it*

A strong political vision and agenda is needed to update strategic thinking and make change in the operative work in the whole city. Although the political level sets the main agenda, it has been crucial to interact and test the concrete goals with local companies.

9.5.3 *Interview questions*

- The new city government have set high goals for sustainable and circular procurement.
 - What has been the meaning of the strong political support?
 - How has the it already changed the strategical thinking and operational work?
- What are the most important actions in implementing the strategy?
 - Has there been any challenges?
- What would be your recommendations for the two main things municipalities should do to help political leaders to give the support needed to proceed towards ambitious aims?

9.6 Scotland: Scotcap, the first innovation partnership project in Scotland

9.6.1 *The result / issue*

Scotcap, is a service contract to create an innovative point-of-care investigation of the lower gastrointestinal tract using minimally invasive colon capsule endoscopy. The aim is to tackle the diagnostic bottleneck for GI disease and bowel cancer risk assessment. Innovation will occur if a new service can be created and delivered at point-of-care in the community, e.g. GP. practice. It could also reduce the total cost of gastrointestinal diagnostics by eliminating unnecessary travel, minimizing impact on the daily life of patients, avoiding complications, reducing specialist participation and reducing resource utilization – while still maintaining the medical accuracy of the current procedures. Results of the project are due early 2020.

9.6.2 *What was changed or made differently*

The new Innovation Partnership procurement process was commissioned under the Programme for Government 2018/19. The ongoing project seeks to answer two key questions; did the innovation work, and, can the authority afford the new solution?

Innovation Partnerships enable the procurement of goods, works or services that are not currently available on the market by combining development and purchase elements tailored to public requirements. The innovation partnerships allow public buyers to create a call for competition using an output-based specification, without defining the solution to a societal challenge and enable supplier selection, structured R&D phases and a contract between the winning contractor and the authority, without the need for a further successive procurement. Partnership working between suppliers and authorities to solve societal problems is the fundamental concept of the process. The new procurement method helps to keep the public services up to date and well - adapted to the needs of authorities as well as citizens.

9.6.3 *What was needed for it*

- For successful innovation partnership project the following factors are essential:
 - Stakeholder management and communications throughout the project
 - Improved procurement processes and regulation that allow the combination of research and procurement
- Governance including project management

- Leadership and sufficient (human) resources

9.6.4 Interview questions

- Under which circumstances should the innovation partnership be used?
- What have you learnt from the first ongoing innovation partnership?
- How do you see the future of public-private partnership in supporting innovations?

9.7 City of Prague: Prior Market Consultation (PMC)

9.7.1 The result / issue

Prior market consultation offers a way for public buyers to get a better sense of the market, existing solutions and prices. PMC works both ways and also helps possible suppliers to get ready for the upcoming tender. The city of Prague has successfully increased the use of PMC in complex procurement processes, which has helped to identify problems e.g. with the procurement documents before even publishing the documents and thus saved a lot of time and effort at later phases, as a well-organized PMC typically reduces the number of complaints. In the big picture, discussions with the possible suppliers increase trust in public sector and is one way of developing more transparent public organizations, which has been one of the key reasons to actively develop PMCs in Czech Republic.

9.7.2 What was changed or made differently

PMCs are used especially for complex and/or procurements that require new technology and innovative solutions. The market dialogue helps to assess if the planned procurement is feasible e.g. from a technical and/or operational point of view. Based on the discussions with potential suppliers, the public buyer can develop more accurate tender specifications and is better informed of the choice of the most suitable procedure for the procurement process. In Czech Republic PMC has offered valuable information e.g. in several tech projects and market dialogue has led to significantly improved solutions.

PMC must be conducted in a transparent way. In order to avoid unequal treatment of the suppliers, the Czech public sector organizations inform Tenders Electronic Daily (TED) about the upcoming PMC to invite all possibly interested firms. In addition, the PMC events are video recorded for transparency reasons as well as for firms that were not able to participate. After the discussions, the procurement documents are updated. All the changes made to the first versions are marked and the participants listed in order to create transparency.

9.7.3 What was needed for it

Prior market consultations highly rely on effective communication between public sector and suppliers. Specific tools, such as online consultation platforms, can be helpful to support the consultation process and make it more transparent and accessible. PMC can be a complex process that is most needed when the procurement is complex and requires first-hand information from the economic operators. To avoid the risk of treating economic operators unfairly or lacking transparency, the decision of conducting a PMC is good to be justified and documented. All the acts taken to increase transparency, are important in creating mutual trust between suppliers and contractors that is the base of a successful procurement process.

9.7.4 Interview questions

- When is PMC most useful? (e.g. type of procurement)
- What have you achieved by using PMC? Best case(s)? (e.g. what have been the key success factors?)
- Do's and don'ts when planning PMC (e.g. potential pitfalls and how to avoid them).

9.8 Finnish Institute for Health and Welfare, city of Vantaa, city of Helsinki, city of Gothenburg, city of Helsingborg, city of Stockholm, city of Botkyrka, Swedish Transport Administration: Social Innovations and Employment through Public Procurement (SIEPP)

9.8.1 The result / issue

The main objective of the project is to create employment possibilities for individuals that are currently far from the labour market by implementing employment criteria in procurement processes. Also, one of the key aims of the transnational (Finland-Sweden) project is to strengthen the knowledge and experiences of the participating organizations to better take into account employment criteria in public procurement processes and thereby increasing employment opportunities for currently unemployed people.

9.8.2 What was changed or made differently

In order to disseminate and imbed the use of employment criteria, key stakeholders were involved at the early phase of the project and the model was developed based on the discussions with different sectors both nationally and internationally. Broad consultations across political levels and different sectors such as employment departments and services, trade unions and the private sector led to the creation of a well-functioning model.

In addition, the implementation of employment criteria was modelled to help the implementation process: the concrete model consists of guidelines describing the steps needed to develop strategic procurement and identifying which stakeholders have to be involved; templates and checklists for public authorities; and legal advice to contracting authorities.

During the project (2017-), the use of the employment criteria has increased significantly and for example in the city of Vantaa the employment criteria has been implemented in 25 public procurement procedures with good results.

9.8.3 What was needed for it

One of the project's main lesson is that cooperation between the public and the private sector is essential in order to tackle unemployment and social challenges. The successful cooperation bases on open discussions and regular meetings. Thus, ensuring sufficient resources is crucial to the successful implementation of employment criteria.

Moreover, an important condition for success is the existence of political will (in municipalities as well as at national level) to promote employment clauses in procurement. In addition to the political level, the positive attitudes towards employment criteria both in public and private sector organizations are crucial and must be enhanced by education and communications.

9.8.4 Interview questions

- What are the key advantages of using employment criteria?
- What are the new ways of using employment criteria (e.g. SIB-model, bonus-model)?
- How to get started with the use of employment criteria? Any tips for the public buyers considering implementing the employment criteria?

9.9 City of Lisbon: Sustainable green procurement

The City of Lisbon is determined to develop environmental sustainability policies in different fields:

- changing the paradigm of mobility, adopting a new ecological structure for the City (Green Plan);
- improving waste management, and promoting energy efficiency. Public procurement is one way to reach these environmental goals.

• Interview questions

- How can public procurement serve as a way to tackle climate challenges?
- How to measure and monitor environmental impacts? (E.g. key indicators? How to integrate them in the procurement procedure).
- Examples of new green infrastructure in Lisbon? (What was done differently, how was the environmental perspective included)?

10 Annex 3: Overview of guiding materials, initiatives, projects and funding schemes

Table 5 Overview of guiding materials, initiatives, projects and funding schemes

| Material | Title | Web link |
|-------------------|---|---|
| Guidance material | Guidance on innovation procurement, European Commission | https://ec.europa.eu/docsroom/documents/29261 |
| | “PUBLIC PROCUREMENT GUIDANCE FOR PRACTITIONERS (FEBRUARY 2018) on avoiding the most common errors in projects funded by the European Structural and Investment Funds” | https://ec.europa.eu/regional_policy/en/policy/how/improving-investment/public-procurement/guide/ |
| | Public Procurement of Innovation Guidance | http://innovation-procurement.org/about-ppi/guidance/ |
| | Public Procurement as a driver of innovation in SMEs and public services | https://op.europa.eu/en/publication-detail/-/publication/f5fd4d90-a7ac-11e5-b528-01aa75ed71a1 |
| | European Assistance for Innovative Procurement (EAFIP) toolkit | http://eafip.eu/toolkit/ |
| | UN Principles of Sustainable Public Procurement 2015 | http://www.oneplanetnetwork.org/sites/default/files/10yfp-spp-principles.pdf |
| | The Procura+ Manual | http://www.procuraplus.org/manual/ |
| | Guidance on Public Procurement by the European Commission, DG GROW | http://ec.europa.eu/growth/content/increasing-impact-public-investmentthrough-efficient-and-professional-procurement-0_en |
| | Guidance on Circular Public Procurement by the European Commission, DG ENV | https://ec.europa.eu/environment/gpp/pdf/Public_procurement_circular_economy_brochure.pdf |



| Material | Title | Web link |
|--|---|---|
| | Green Public Procurement (GPP) Training Toolkit | https://ec.europa.eu/environment/gpp/toolkit_en.htm |
| Government initiatives | Network of national competence centres on innovation procurement | https://cordis.europa.eu/project/rcn/213117/en |
| | National Competence Centre PIANOo (Netherlands) | |
| | German government support centre for innovation procurement: KOINNO | https://www.koinno-bmwi.de/ |
| | The Norwegian National Programme for Supplier Development, set up to support public buyers and accelerate innovations through the strategic use of public procurement | http://innovativeanskaffelser.no/about/ |
| | VNG (Association of Dutch Municipalities) | |
| | NEVI (Dutch knowledge network on procurement and supply management) | |
| | German procurement networks (academics, lawyers, people who work for contracting bodies) | https://www.dvnw.de/ |
| | Kompetenzstelle für nachhaltige Beschaffung | http://www.nachhaltige-beschaffung.info/DE/Home/home_node.html |
| | Forum Vergabe e.V | http://www.forum-vergabe.de/ |
| | Observatoire des achats responsables: ObsAR | https://www.obsar.asso.fr/ |
| | Cellule d'information aux acheteurs publics – CIJAP | |
| | Centre of shared Services for Municipalities in the Czech Republic | http://www.smocr.cz/ |
| Public Procurement of Innovation projects | Public Procurement of Innovation platform, listing inter alia projects where Public Procurement of Innovation was piloted in various sectors | https://www.innovation-procurement.org/home/?no_cache=1 |
| | Horizon 2020 Policy Support Facility | https://rio.jrc.ec.europa.eu/en/policy-support-facility/mle-innovationprocurement |
| EU funding schemes | COS-LINKPP-2017-2-02: Innovation procurement broker: creating links for the facilitation of public procurement of innovation | https://ec.europa.eu/easme/en/cos-linkpp-2017-2-02-innovation-procurement-broker-creating-links-facilitation-public-procurement |
| | Public procurement of innovative products and services | https://ec.europa.eu/growth/industry/innovation/policy/public-procurement_en |
| | Funding & tender opportunities – Single electronic data interchange area (SEDIA) | https://ec.europa.eu/research/participants/docs/h2020-funding-guide/index_en.htm |





11 Annex 4: Procurement roles

Besides the competencies there is need for different roles in an organization. The roles may vary, because organization structures are different, organizations have different resources and mandates and the maturity level can vary.

As an example here is one version of how to describe the procurement roles

11.1 Procurement support officer

Your main mission is to assist staff members throughout the entire public procurement cycle, making sure all procurement documents are compliant with procedural, technical and legal requirements, and that meetings and other contacts are well organized. You have a solid overview of the different steps in the procurement lifecycle, and proficiency with the relevant systems and tools needed. You help the staff to ensure compliance, particularly in the preparation of tender documentation.

11.2 Public Buyer/Procurement Specialist

Your main mission is to prepare and manage procurement procedures. You demonstrate knowledge and expertise to procure a specific category of goods, services, or works. You work under the guidance/direction of the procurement manager. You monitor and ensure the proper enforcement of public procurement procedures, making sure all procurement documents are compliant with procedural, technical, and legal requirements. You are able to drive the complete procurement process and have a good understanding of how it works. You act as a partner for both customers and suppliers, serving as their main point of contact on contractual matters. You may supervise the work of teammates or internal customers working in your area of expertise.

11.3 Contract manager

Your mission is to oversee the operation and performance of the contracts. You act as the main point of contact for suppliers on contractual matters, and you report back to your leadership. This includes implementing financial and operational controls, and compliance with all reporting requirements, including those aimed at sustainability and innovation. You have a good understanding of relevant EU and national legislation, particularly contract law. You represent the organization in terms of supplier management, as well as any negotiations or conflict resolution that may be necessary. Your major added value is in the post-award phase, taking the lead on contract management, certification and payment, and reporting and evaluation responsibilities.

11.4 Procurement Lawyer

Your main mission is to assist staff members throughout the entire public procurement cycle. You help to shape procurement policies, planning, contract formation, and contract management activities. You provide legal advice and guidance to procurement specialists and other colleagues engaging in procurement activities related to contracts. You ensure the procurement documents follow the law and you take care of the legal questions related to procurement. You take care of the juridical interpretation of the procurement contracts; claims, negotiations, sanctions. You follow the possible juridical cases and trials. When necessary, you also participate in the procurement procedure.

11.5 Advisor (social, ecological and sustainable goals)

You actively shape and implement sustainable procurement policies, do market dialogue, planning, and contract management activities, for different types of stakeholders. You contribute to the definition of a strategy. You provide specialist and strategic advice to stakeholders on sustainability policies, planning, contract formation, and contract management activities. You focus on integration of sustainability into procurement strategy and hands on procurement process. You act as internal advisor and are responsible of educating and knowledge sharing. You follow sustainability scene and collaborate with other procurers nationally and internationally. As advisor, you inspire and convey sustainability vision to your organization; you identify the method and message according the case. You are responsible for evaluation of performance of sustainability targets in contracts and strategy.

11.6 Department/Procurement Manager

You lead the day-to-day activities of the procurement team. As a leader, you inspire and convey your vision to your team members; you identify the right skillset within your team and assign tasks accordingly while grasping the overall vision. You help to shape procurement policies, planning, contract information, and contract management activities, for different types of stakeholders. You contribute to the definition of a strategy. You provide specialist and strategic advice to stakeholders on procurement policies, planning, contract formation and contract management activities. You focus on team and performance management, while guaranteeing process continuity and an efficient procurement strategy.

11.7 Strategic procurement officer

You actively contribute to the definition of a strategy. You are responsible for the strategic leadership of procurement, so you execute and lead the implementation of the strategy. You organize procurement resources to focus on specific areas of spend. You focus your time, conduct in depth market, and spend analysis to fully leverage strategic decisions on behalf of the whole organization. You evaluate your unit's performance based on KPIs, review and feedback and actively push the unit to achieve results. As a leader, you inspire and convey your vision to your unit members; you identify the right skillset within your unit and assign tasks accordingly while grasping the overall vision of your organization. You are responsible for ensuring the good operation and performance of the contracts under your remit. Your mission includes the development and implementation of procedures for contract management and administration in compliance with the organization's policy.

11.8 Budget holder

You make sure you spend your money according to the procurement strategy. You ensure the strategic goals to be achieved. You tackle organizational challenges accordingly. For example, for circular procurement, you focus on life cycles & closing the loops and keep track of the used materials in all the products. As a leader, you also monitor the progress of individual procurement through your management system.