

# **Innovation Procurement initiatives in Norway**

## **Lighthouse project in Healthcare**

In 2011 the Nordic Ministers of Industry launched a “Lighthouse project”<sup>1</sup> on Public Procurement and healthcare to harness the potential in public procurement to develop better public health services and create new opportunities for businesses in that field.

In this context, a cooperation was established between Tekes, Vinnova, the Danish Business Authority, Innovation Norway, Rannis and Nordic Innovation. Together they launched in 2011 a call for proposals (NOK 10 million) that invited Nordic organizations to submit proposals for projects in the field of Innovation Procurement within the Health Sector in the Nordic Region. The intention of these projects is to accelerate innovation friendly procurement (including PCP and PPI) on a Nordic level and strengthen the exchange of knowledge, co-creation and cooperation in focused networks for procurers and suppliers.

3 projects were selected from this 2011 call for proposals:

- Nordic Public Private Innovation Net: best practice sharing about innovation procurement
- VAPBRO: Develops a model for value-based procurement in primary and social care
- INHP: Focuses on training and supplier-procurer dialogue

More information: <http://www.nordicinnovation.org/projects/public-procurement-and-innovation-within-the-nordic-health-sector/>

In 2014, a new call for proposals was launched (NOK 25 million)<sup>2</sup> that expands the cooperation to test beds, business development and export.

So far the Nordic lighthouse collaboration on innovation procurement in the healthcare sector has not lead to any cross-border Nordic procurements yet.

### **Background of the lighthouse initiative and the first call for proposals**

The Nordic countries are like most of the OECD countries facing major challenges within health and welfare. Demographic changes combined with constraints on public spending are a major challenge but also a major driver for welfare and public sector innovation.

In the Nordic region, the public sector is by far the largest buyer and consumer of health care products and services. This represents an opportunity for the public sector to demand new and innovative products and services from the private sector.

**From studies and analyses it is pointed out that the public procurer is able to drive innovation from the demand side by:**

- being a skilled and competent demander
- thorough descriptions of public needs that new products and services are supposed to satisfy and are about to be developed
- having a good understanding of the market and how it operates and having an idea of what kind of products, services and systems there is to be developed and delivered

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<sup>1</sup> <http://www.norden.org/en/publications/publikationer/2011-567>

<sup>2</sup> <http://nordicinnovation.org/funding/call-for-proposals-innovative-nordic-health-and-welfare-solutions/>

- being able to reach a well informed decision on which actors to include in the process of procurement of innovative goods and services by being able to see the potential in scaling up products and services to other areas

### **Objective and targets**

The Lighthouse project aims to:

- Establish a Nordic collaboration in the field of innovation procurement within the health care sector
- Establish focused networks within innovation procurement and contribute to knowledge development and dissemination of information, best practice and results and to encourage health organizations to integrate innovation in their thinking when they procure
- Contribute to new skills and changed mindset among procurers in order to use procurement as a strategic tool for development
- Raise awareness at management level of the innovation potential in public procurement
- Encourage Nordic cross-border cooperation both among health procurers and among suppliers, but also to encourage cross-border cooperation in a wider sense; cooperation in new constellations and across “professional borders”
- Create market opportunities and develop ideas and companies, with a particular attention for SMEs
- Develop / disseminate tools and methods for procurement and innovation

**The focus area for the effort is innovation procurement in a wide sense; it is intended to include both innovation friendly procurement, procurement of innovation and pre-commercial procurement.**

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More information on lighthouse project: <http://www.nordicinnovation.org/projects/public-procurement-and-innovation-within-the-nordic-health-sector/>

Contact list of partners active in Nordic lighthouse cooperation matchmaking:

<http://nordicinnovation.org/funding/call-for-proposals-innovative-nordic-health-and-welfare-solutions/>