



HIGHLIGHTS

> Newsletter No. 4

With the fourth COMPLETE newsletter project partners further elaborate and present the project, its structure and preliminary findings.

As presented in previous issues, Project Partners as NRENs' are the public bodies and therefore conduct a large number of complex public procurement procedures with regards to optical transport equipment.

This newsletter describes the procedures which have been developed by the COMPLETE project and targets in the first instance procurement of innovation and R&D services in the public network operators' domain.

Dear Readers,

With hereby newsletter we wish to present further aspects of the COMPLETE project, the project consortium and proceeding of the project. COMPLETE is aimed at addressing the PCP/PPI (Pre-Commercial Procurement, Public Procurement of Innovation) in the area of optical networking technologies and infrastructures.

The new approach to public procurement means the introduction of a modern system, in which the essential elements are: innovation and sustainable society and environmental-friendly technology. The document is dedicated to the first of these issues, namely the innovation driven procurement and, in particular, pre-commercial public procurement.

Your sincerely,

Bartosz Belter, the project Coordinator

Introduction

The new approach to public procurement means the introduction of a modern system, in which the essential elements are: innovation and sustainable society and environmental-friendly technology. The newsletter is dedicated to the first of these issues, namely the innovation driven procurement and, in particular, pre-commercial public procurement.

The use of the public procurement leverage for the creation of “free markets” and EU single market where trade barriers have been eliminated, due to the significant financial potential of the public expenditure, which in combination with the legal instruments may affect the development of scientific research, modernization of enterprises, creating new jobs and environmental protection.

In this process, there are also restrictions resulting mainly from high costs and a significant level of risk, which are loaded with innovative projects. Acquisition through traditional public procurement of innovative solutions also requires having knowledge on the proper description of the products or services that are not yet available on the market. Purchaser, in spite of these difficulties, they can increase their participation in the creation of the market for advanced goods, fostering the research and development investments and contributing to the growth and competitiveness of the economy.

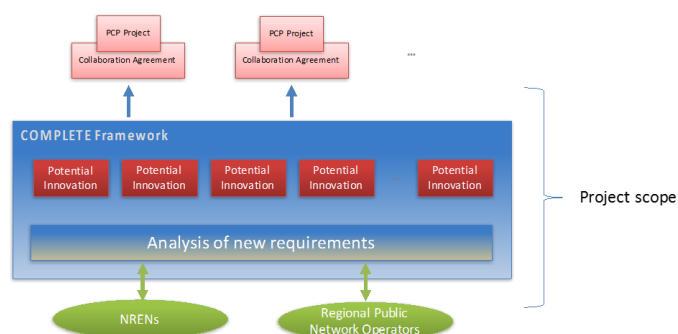
Supporting innovative activities is now one of the key policies of the European Union included, among others, in the Europe 2020 Strategy has launched a number of initiatives which promote a new approach to public procurement in terms of innovation growth.

This newsletter describes the procedures which have been developed by the COMPLETE project and targets in the first instance procurement of innovation and R&D services in the public network operators’ domain. Public network operators in Europe are clustered around the GEANT project, which groups a number of operators of research networks in Europe. However, the authors intentionally did not disclose the scope of the document to operators of research networks only. There is a significant number of other public operators, usually working at the regional scope, which are also considered as potential target of this publication.

COMPLETE Framework

COMPLETE proposes a collaborative environment where public network operators can work together and exchange information about the current service offerings and their potential evolution to serve better user communities and customers. The following figure presents the framework:

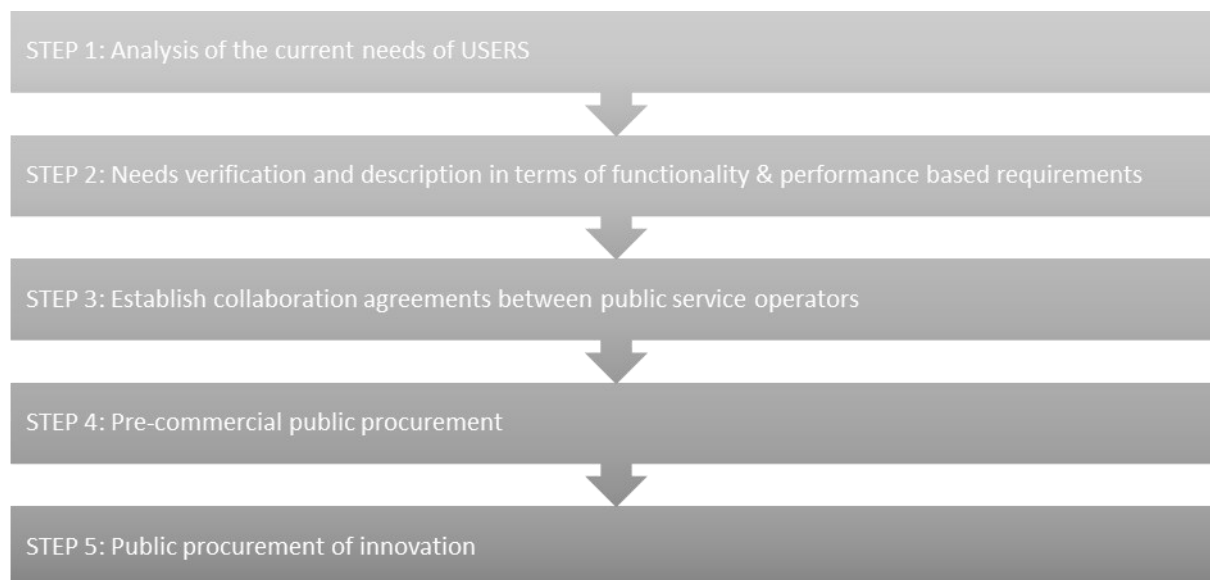
The framework offers an opportunity for NRENs and other regional public network operators to jointly analyse needs and new requirements exposed by the customers of these networks. The analysis of new requirements, complemented by a deep analysis of the structure of the market can result in the definition of new Potential Innovations, which can be subjects of follow-up collaboration between interested partners.



The COMPLETE project creates a collaborative environment for NRENs and Regional Public Network Operators to cooperate and exchange information about their current needs, future directions of development and challenges they face.

COMMUNICATION PLATFORM FOR TENDERS OF NOVEL TRANSPORT NETWORKS

Procurement Procedures



The COMPLETE Framework is introduced to stimulate the adoption of PCP procedures in the community of public network operators in Europe. This framework defines the key building blocks to cluster specific activities which can be performed by the stakeholders to support the formulation and creation of potential PCP projects in the networking domain.

In order to implement procurement procedures in the community of public network operators COMPLETE proposes the execution of the following steps, presented on Figure above:

STEP 1: Analysis of the current needs of USERS

The first step in the procedure is the key element for all follow-up activities. The goal of this step is to identify the current needs of users of public services offered by infrastructure owners. In the domain of public network operators, and specifically in the GEANT environment, we can identify the following consumers of the services offered by network operators:

- Universities
- Research institutes
- Local governments
- Research projects
- Research individuals

STEP 2: Needs verification and description in terms of functionality & performance based requirements

The needs expressed by the users and the needs uprising from the self-evaluation process, concluded as the outcome of STEP1, should be transformed into a set of functionalities and performance based requirements, which must be implemented in a network in order to satisfy the customers. For the purpose of validation, a proper description of the need / challenge is important in order to ensure sufficient interest and response from potentially interested suppliers. Firstly, the interested stakeholders must identify and predetermine the desired outcome and impact and cost saving factors for themselves. How the new services will change the offering and if there is direct impact on the economic situation of the service operator. It is important for the public operators to understand whether the new features requested by their users have been already introduced to the market by some industrial players. The deep analysis of the market determines the level of innovation of the corresponding products, as potential components which can be a part of pre-commercial procurement.

Last but not least, what should not be forgotten, the stakeholders should take into account the potential impact of a new R&D development on the market in Europe.

STEP 3: Establish collaboration agreements between public service operators and their users

The new innovative services to be a subject of potential development has been already identified, based on the needs and requirements expressed by the consumers of services offered by public network operators. In order to establish more formal collaboration between involved parties, it is recommended to establish collaboration agreements. The collaboration agreement should be signed between public network operators, as the owners of the underlying infrastructure and services, and a set of users, which played the pivotal role in the process of identification of new functionality / services. The collaboration agreement should clearly describe the interests of involved parties and their responsibility, e.g. for proof-of-concept implementation or testing.

STEP 4: Pre-commercial procurement

This step initiates the whole process of the pre-commercial procurement project. It consists of the several phases, which are described below.

Notice of competition

Proceedings under PCP starts with the open announcement about the competition (call for tender). The completed documentation shall inform potential suppliers about the conditions of the procedure, stages of pre-commercial procurement, the criteria for assessing incoming proposals and conditions of accounting and finance research and development. There should also find records of behaviour copyright by suppliers, both in relation to these solutions, which do not pass to the next stage of the proceedings, and that which will eventually chose by the ordering entity for further development. The process description should fully describe all phases of the proceedings PCP, including information on the duration of each step, expected deliverables, milestones and results to be produced, preliminary review and evaluate the solutions presented there.

Signing a contract

After selecting suppliers and inviting them to participate in

the pre-commercial proceedings, Purchaser shall sign a contract with them. The agreement covers all phases of proceedings and contains clauses defining the rules of conduct in a situation where the supplier is not admitted to the next phase.

Research and prototyping

PCP is not about purely fundamental research, meaning curiosity-driven research studying fundamental scientific phenomena for which there is no concrete application field in view yet. PCP is about applied R&D, i.e. application driven R&D to prove that workable solutions can be developed. PPI is then commercial deployment of such newly developed solutions. After signing the contract, the project enters the implementation phase. It is assumed that phase involved a minimum of four suppliers to guarantee competition between suppliers, whereby that each procedural step number of operators is reduced by one so that at least two part in all three stages. The full procedure under PCP usually takes two years or more, which is why at the stage of project and risk management is crucial to proper control of the progress of research and development and proper documentation of all results of the project so that the new person included in the project will receive the full knowledge of all existing activities.

STEP 5: Public procurement

Purchaser is preparing terms of reference and all other tender documents on the basis of the results of the experimentation and the performances of the best solutions proposed by suppliers who have reached the end of the third phase of the project. From that moment on ordering apply to all provisions of the Public Procurement Law. The tender is open to all participants. It is assumed that the phase of public procurement performs a different team than the one who oversaw the research and development, thus ensuring equal opportunities for all taking part in the tender in accordance with the provisions of the Act and the accepted rules of the European treaties.

PARTNERS

