



European Commission
Information Society and Media



iCars Network

**Pre-Commercial Public
Procurement**

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iCars Network

The aim of the Network is to contribute to the deployment of ITS by exchanging knowledge and experience among a variety of stakeholders in order to:

1. make vehicles smarter, cleaner and safer
2. improve the global competitiveness of the European automotive and ITS industry

iCars Network

- The Network is funded under the rules of a Thematic Network of the ICT PSP call
- Each partner receives a lump sum of € 5000 per year plus €3000 travel and other expenses
- iCars Network runs for 2 years, from 1 July 2008 until 1 July 2010.

iCars Network

The Network consists of 4 Thematic groups:

- 1. Public procurement:** exchange of information between the world of ITS development and the world of public procurement
- 2. Awareness:** exchange of good practices between organizations who deal with dissemination of information and awareness actions among authorities, businesses and end-users
- 3. Impact assessment:** exchange of methods and evaluations of impact assessment methods for ITS
- 4. Energy efficiency:** exchange on ITS technologies having a possible positive effect on energy efficiency in road transport and developing a road map on the introduction of these technologies

iCars Network

Partners in iCars Network:

- FIA (coordinator)
- POLIS (leader Public Procurement)
- ERTICO (leader Awareness)
- VTT (leader Impact assessment)
- ACEA (leader Energy efficiency)
- CEDR
- CLEPA
- Orange
- Lindholmen (Gothenburg)
- CTAG (Spain)
- Edinburgh
- Uni Koeln
- Bast
- TNO
- ISIS (Rome)
- Amanova (Ljubljana)

Thematic Groups Activities

Each topic will be addressed by a thematic group who will:

- **Network:** to identify and invite relevant organisations and experts
- **Organize events:** exchange information and build consensus
 - The number of events will depend on the range of topics and differences in expertise to be covered. Events will if possible be organised as part of larger events.
- **Issue reports:** on the present state of play, availability of methods and technologies, obstacles, policy recommendations and a road map in the case of energy efficiency

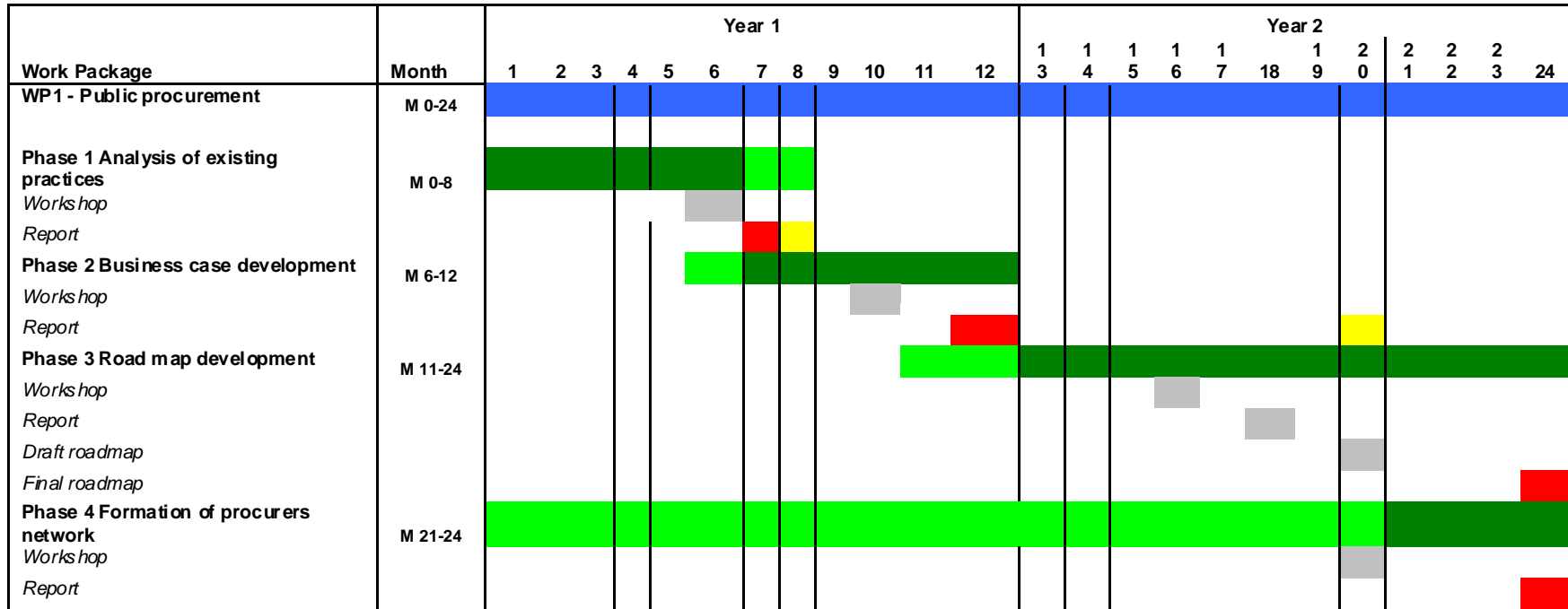


Results will be made public on the Network's website and also made available to the EC's good practice exchange website.

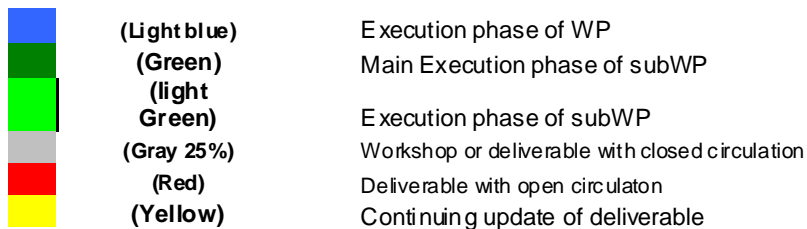
Work-plan of the PCP Group

- **4 phases** to be built up during the 2 years of the iCars Network:
 - Phase 1: Analysis of existing pre-commercial public procurement practices
 - Phase 2: Business case development
 - Phase 3: Road map to bring technologies to the market
 - Phase 4: Formation of a network of procurers

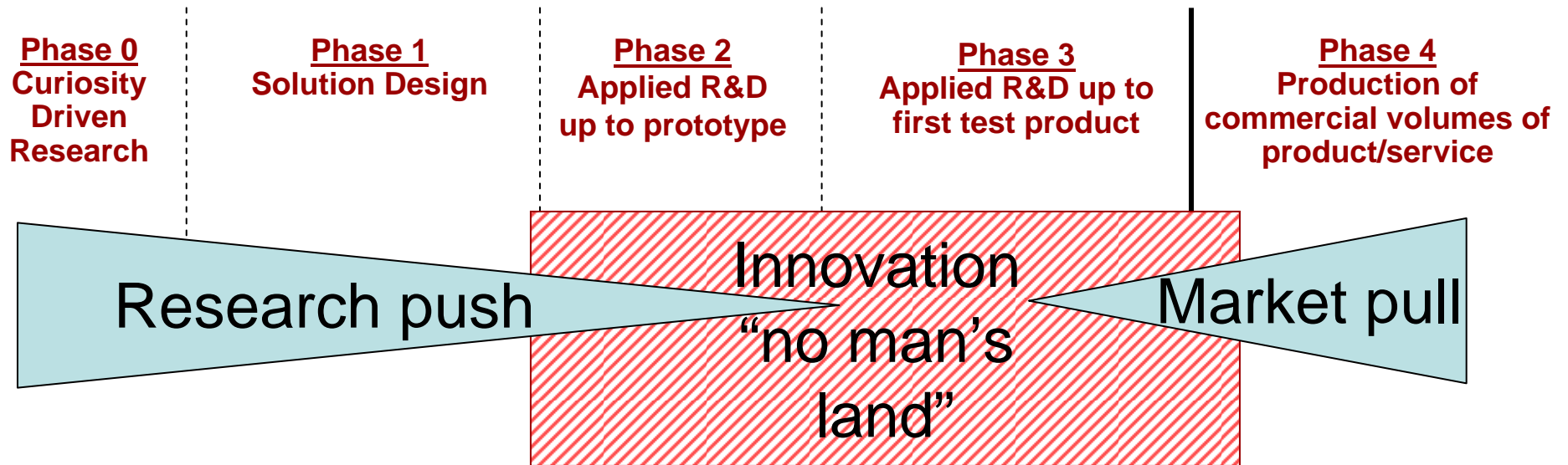
Time Schedule of the PCP Group



Starting date: 1st April 2008



Where is this missing link in the EU innovation cycle?



- A better balance between supply and (public) demand side measures to stimulate innovation could help bridge this gap

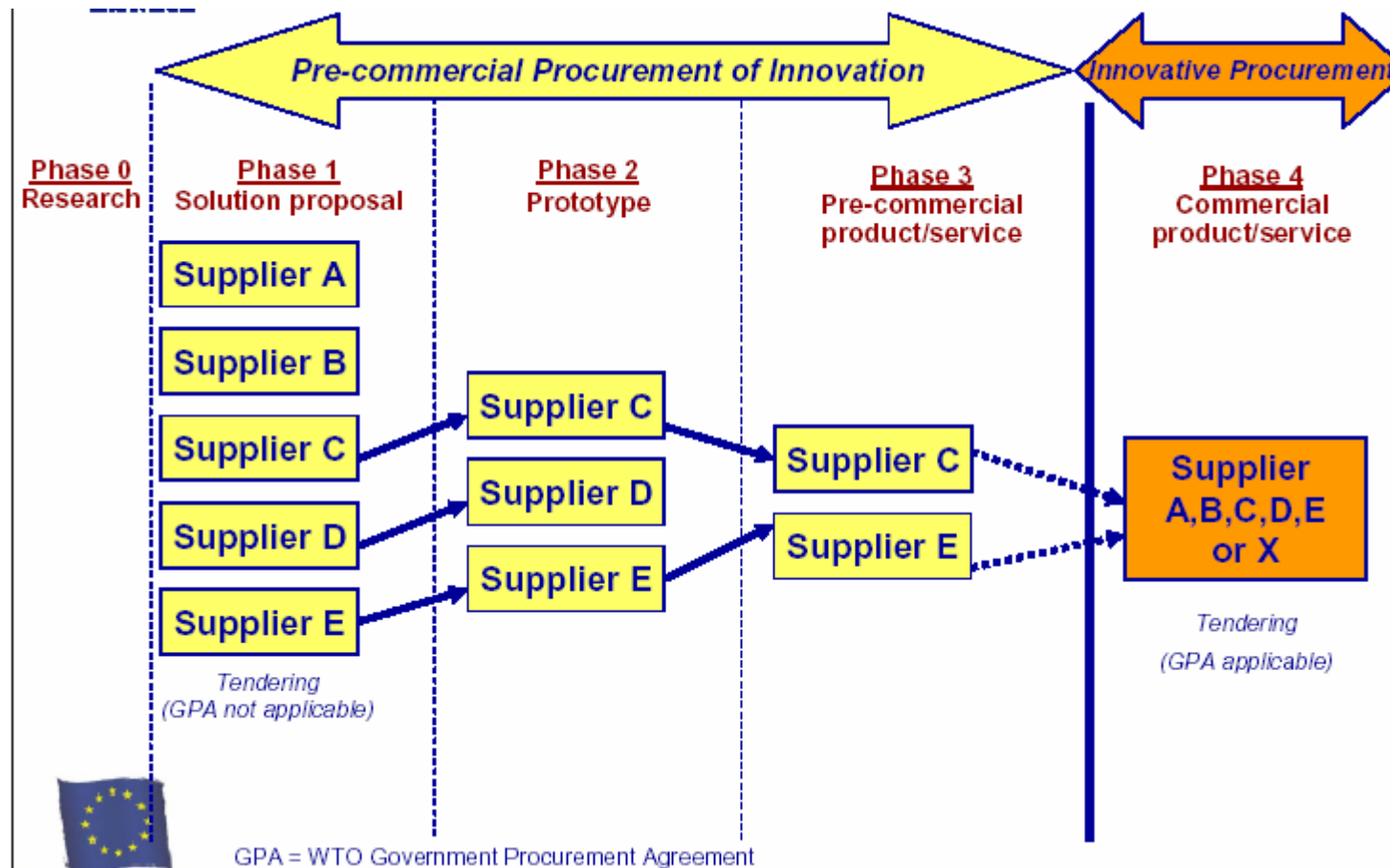
Pre-Commercial Public Procurement

Pre-Commercial Procurement (PCP) is another form of public investment in research and development. It is not a tool to steer the deployment on the market of existing technologies once research has been done.

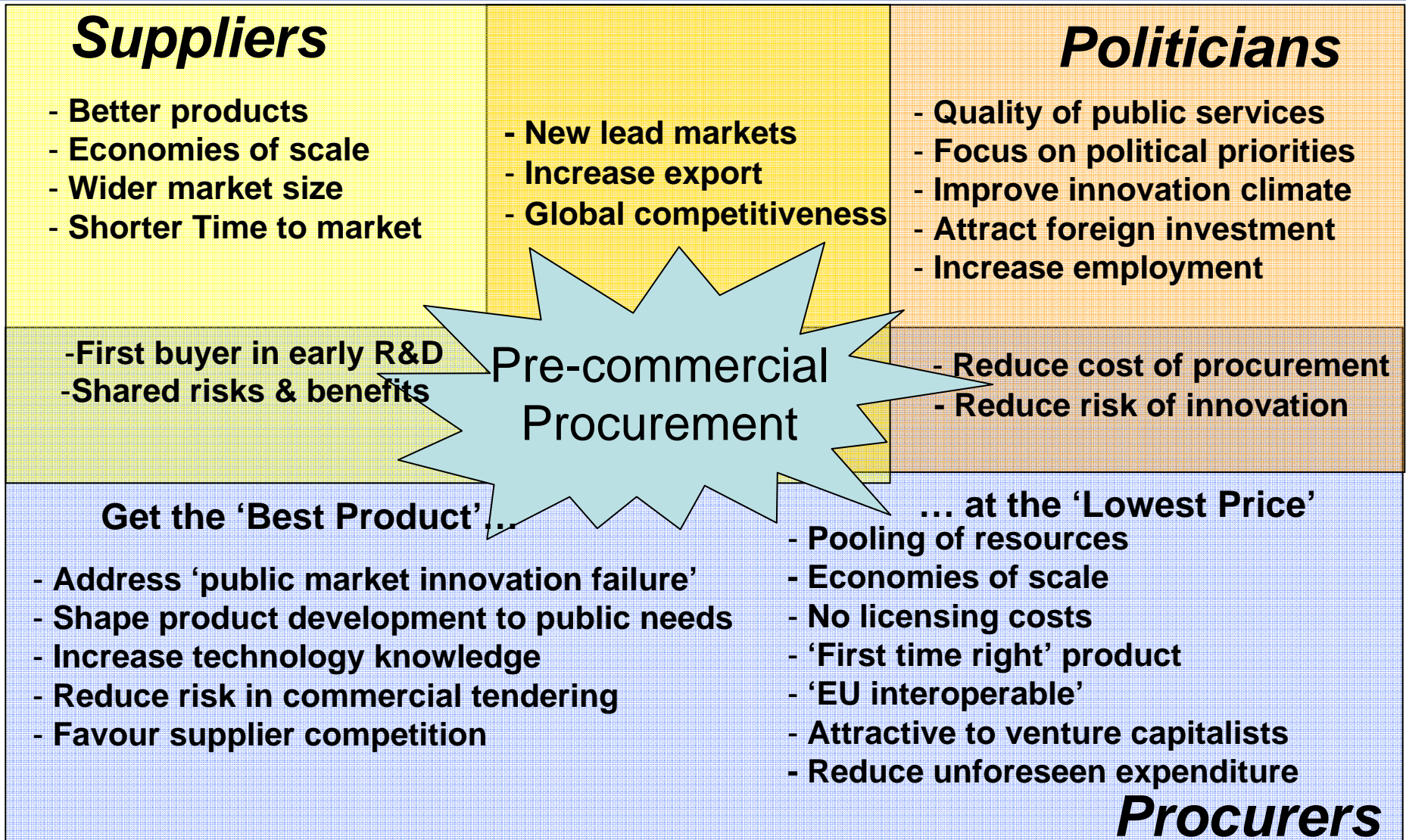
Definition

- PCP of innovation refers to the procurement of technological innovation up to and including a first pre-commercial volume batch of products and / or services validated via field tests.
- Involves direct public R&D investment in the first three phases (pre-commercial part) of a typical R&D project life cycle.

How to do it



Pre-Commercial Public Procurement



Conclusions 1/4

- PCP is a tool to help solving problems formulated in an open way. For example “How to improve road infrastructure safety?”, not to target a specific product which would already be an answer to this question.

This suggests that PCP is used to encourage real innovation and new approaches to existing problems.

It could be considered to target some developments in our sector:

How to create integrated ticketing?

Conclusions 2/4

- PCP is for authorities. They need to increase their competence on PCP and organize the PCP process.
- PCP by authorities can take any of the three following modes:
 1. Direct procurement
 2. Cooperative procurement
 3. Catalytic procurement
- PCP does not fall under the rules of the European procurement directives.
- Almost no examples found which are truly PCP of innovation in our sector (ITS, surface transport).

Conclusions 3/4

- PCP can only be applied for non existing technologies.
- It is not clear who keeps the intellectual rights on the new product, are they left with the companies or with the supplier?
- It seems that PCP is particularly well suited to encourage R&D from SMEs rather than existing major player on a market.
- In the case of major suppliers, there is a risk of leaving with them the intellectual and property rights and the possible barrier this can create for further developments.

Conclusions 4/4

- PCP could be usefully combined with joint procurement between several procurers. However, it is very difficult to implement in reality.
- To guarantee that the issue of standards and interoperability of systems is duly considered, requirements must be defined as early as possible in the process.

Possible applications

- Cooperative systems ?
- eCall ?

Thank you!

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www.icarsnetwork.eu