

SESSION 2

Instruments and Initiatives for Innovation in Security R&D

MODERATOR: Mr. Ulf Dahlsten



VINNOVA



Discussion:

Debating mechanisms for PPP (Public Private Partnership), Pre-commercial Procurement, etc.

Project and Panel:

- Ms Friederike Strebl (Siebersdorf Labs)
(project **CREATIF**),
- Mr Paul Baker (ECORYS),
- Mr Alois Sieber (EC DG JRC),
- Mr Luigi Rebuffi (EOS).

The European public sector is facing major challenges

- Climate
- Energy
- Transport
- Health
- Security



The European Public Sector has enormous purchasing power

1700 Billion €

Less than 3 billion € is used for procuring the research and development of new products and services

US spent 2004 50 billion \$, mostly on defence and security

Example of US R&D procurement

Super computers

- Public needs: modelling climate change, energy systems etc
- Long-term procurement plans
- Competitive multi-supplier approach

<i>Procurer</i>	<i>Technology</i>	<i>Company</i>
Dept of Energy	Early supercomputers	CDC/ETA, IBM
DARPA, Universities	Timesharing	DEC, CDC, IBM, Univac
Dept of Energy	Supercomputers	Cray, IBM, SGI, Sun, HP

The barriers

- The European procurers are predominantly local, regional or in utilities
- The security market is very fragmented
- Procurers are generally averse to risk
- There are still legal barriers to cooperation across borders



- **Overcoming Market Fragmentation**
Certification, Validation and Standardization
Regulatory Framework
Interoperability



• Strengthening the Industrial Base

Innovation Policy

Lead Market Initiative

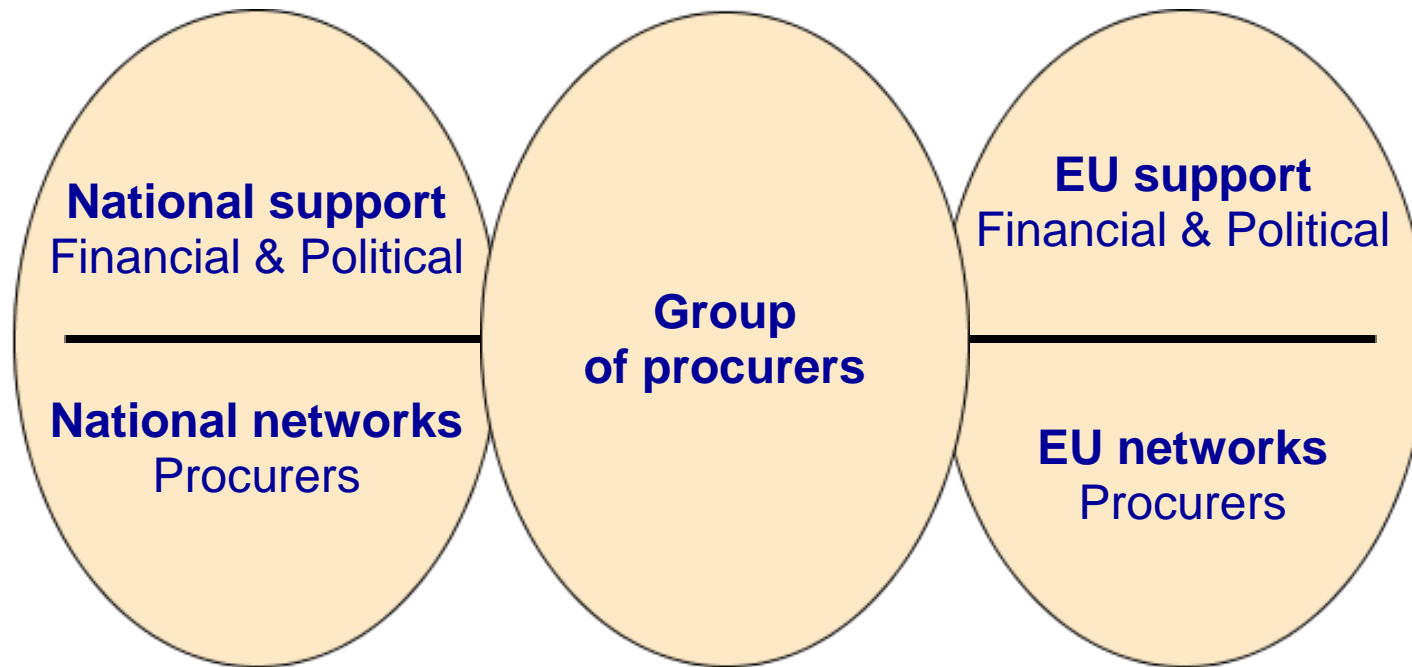
Pre-Commercial Procurement

Public-Private Partnerships



How to move on...

Bottom-Up?



Top down?

- **Common challenges:**
such as climate change, energy, health, ageing population, security
- **Common opportunity:**
to create European lead markets as well as better and more efficient public services



The right expectations ...

In the US:

70-80% of R&D procurements are successful in areas such as health

30-40% are successful in high-risk defence contracts



Status and Next Steps

EU support for PCP

- Today, coordination and support action support for preparatory activities on PCP (best practice sharing etc)
 - To prepare the ground for 'thinking PCP' in MS (reach politicians, good share of public procurers, innovation professionals, business community etc)
- Communication on strategy for ICT R&D for the future proposes ELSA's
 - European Large Scale Actions
 - 'Single-heading' focused European-scale projects that cut across the innovation chain
 - Combining R&D grants, pre-commercial procurement, innovation & deployment actions



For more information

<http://cordis.europa.eu/fp7/ict/pcp/>



How to do Pre-commercial Procurement

