



Partnership on Innovative and
Responsible Public Procurement
21st June 2022

URBAN AGENDA Partnership on Innovative and Responsible Public Procurement for the EU

Action Plan 2022

The Pact of Amsterdam states that the Action Plan “can be regarded as non-binding”. Therefore, the actions presented in the Action Plan and these new actions are not compulsory.

Disclaimer: This document is a Final Action Plan and includes the European Commission inter-service consultation and the public feedback.



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Executive summary

The 'Pact of Amsterdam' of May 2016 has established the Urban Agenda for the EU: a new working method of thematic Partnerships seeking to optimise the utilisation of the growth potential of cities and to address social challenges. The Urban Agenda for the EU focuses specifically on three pillars of EU policy-making and implementation: better regulation, better funding and better knowledge. In 2018, the Action Plan of the Urban Agenda Partnership was approved with seven actions, which were delivered in 2020. In 2021 the partners of the Urban Agenda Partnership on Innovative and Responsible Public Procurement decided to continue their work, convinced that public procurement is a strategic tool that is more important, solid and vital than ever if it comes to deal with economic, environmental and social challenges.

The Action Plan 2022 presents three following actions:

Action 1: Develop a reflection board supported by a sustainable platform where cities, regions, member states and the European Commission/institutions exchange ideas and experiences on strategic public procurement.

Action 2: Achieve Green Deal goals by using public procurement and innovation as strategic tools.

Action 3: Enable Sustainable Economic Recovery through public procurement.

All three actions of the Action Plan 2022 are related to each other and will amplify each other. Through action 1, the Partnership will develop a reflection board where partners can exchange knowledge and experiences and even more. In action 2, procurement and innovation will be used as strategic tools to work on EU Green Deal goals. Action 3 will look at ways and activities to provide sustainable economic recovery after the multiple crises, with case studies included. The three actions relate to each other: best practices, knowledge and tools of action 2 and 3 will provide input for the procurement platform and reflection board, whereas the reflection board will give ideas and input to work with procurement and innovation as tools for achieving Green Deal goals, as well as sustainable economic recovery. Action 2 and 3 deal with different themes, but contribute to the development of the use of procurement. All three actions also contribute to the general goals of the Urban Agenda for the EU¹.

The Reflection Board (action 1) will identify possible experienced struggles and challenges on e.g. regulation and legislation, and will provide recommendations on innovative and responsible procurement uptake within the urban context. Next to that, it will look for collaboration with other Urban Agenda partnerships, as well as the relation of these actions to the Sustainable Development Goals of the United Nations.

With the three actions of the Action Plan 2022, this document continues to build on the many existing initiatives and projects and will focus on innovative and responsible public procurement as a strategic tool in realising social, economic and environmental policy goals.

¹ Leipzig Charter and Ljubljana Agreement

This Action Plan is reflective of the many challenges we face in Europe from Covid-19 to the war in Ukraine. Indeed, the war in Ukraine impacts cities and countries not only in Europe but all over the world on food price shocks (especially wheat), oil and gas price hikes, global risk aversion/flight to safety, remittances, and tourism. The cities and countries also deal with the challenges such as quick availability of housing and employment for refugees from Ukraine. Public procurement will need to react to these challenges and crises.



1. Introduction

1.1. Urban Agenda for the EU

The 'Pact of Amsterdam' of May 2016 has established the Urban Agenda for the EU: a new working method of thematic Partnerships seeking to optimise the utilisation of the growth potential of cities and to address social challenges. The Urban Agenda for the EU focuses specifically on three pillars of EU policy-making and implementation: better regulation, better funding and better knowledge. It aims to do so through better cooperation between cities, regions, Member States, the European Commission, expert organisations and other stakeholders. The Partnership on Innovative and Responsible Public Procurement is one of the 14 thematic Partnerships and was formally established in May 2017. An overview can be found in the figure below.



Figure 1: Urban Agenda Partnerships (*Source: [Online brochure on the 'Urban Agenda for the EU – Multi-level governance in action'](#) has a new revised version | Futurium (europa.eu)

1.2. Background of the partnership

The urban population of the total European population is 75%². Cities play an essential role and are responsible for providing public services to ensure a better quality of life for their citizens. In the process of doing this, cities operate in a rapidly changing social, economic and environmental context, which creates opportunities and challenges.

Every year, over 250,000 public authorities in the EU spend around 14%³ of their gross domestic product (GDP) (around €2 trillion per year) on purchasing services, works and supplies. Leveraging this vast spending, public authorities can make a difference through responsible and innovative

² [Urban population - European Union | Data \(worldbank.org\)](#)

³ [Public procurement \(europa.eu\)](#)

procurement. The public sector can use procurement to boost jobs, growth and investment, create a more innovative economy, resource and energy-efficient, human rights, equality and socially inclusiveness (cultural integration and the inclusion of minorities and disadvantaged persons). It can help achieve EU Green Deal goals, speeding up the circular economy and sustainability.

There are various ways for cities to deliver public services. They can decide to perform the services themselves, subsidise them, or provide them by tendering out contracts. Once decided to provide public services by tendering out a contract, one enters the realm of this Partnership: innovative and responsible public procurement. This Partnership creates the opportunity for cities and Member States to work closely together with the European institutions to research and assess how to facilitate more use of innovative and responsible public procurement as a strategic tool.

In 2018, the Action Plan of the Urban Agenda Partnership was approved with seven actions, which were delivered in 2020. With a view on disseminating the gained knowledge and guidance and to make the presentation of the deliverables more user-friendly and accessible, an e-learning module was developed: [Urban Agenda - Public Procurement \(maester.com\)](https://maester.com)

In 2021 the partners of the Urban Agenda Partnership on Innovative and Responsible Public Procurement decided to continue their work, convinced that public procurement as a strategic tool is more important, solid and vital than ever if it comes to deal with economic, environmental and social challenges. After a series of brainstorm sessions and meetings with the partners, the Urban Agenda Partnership identified and scoped three new actions presented in this Action Plan 2022.

1.2.1. Presentation of the Partnership and composition

The members of the partnership are:

- Cities: Haarlem (The Netherlands) (coordinator), Vantaa (Finland), Nantes (France), Gabrovo (Bulgaria), Munich (Germany), Turin (Italy), Larvik (Norway), Koszalin (Poland), The Hague (The Netherlands), Prague (Czech Republic), Preston (informal partner, United Kingdom);
- Regions: Region of Central Macedonia (Greece), Nantes Metropole (France), Barcelona Provincial Council (Spain);
- Member States: Italy (AGID), Scotland, Czech Republic;
- Stakeholders: European Centre of Employers and Enterprises providing Public Services and Services of general interest (SGI Europe), Local Governments for Sustainability (ICLEI), the Dutch Ministry of Water Management and Infrastructure (Rijkswaterstaat);
- European Commission: DG REGIO, DG GROW, DG CNECT, DG R&D, DG ENV;

- Associations: Council of European Municipalities and Regions (CEMR), Urban Innovative Actions (UIA), URBACT (European Exchange and Learning Programme promoting Sustainable Urban Development), KEINO (Competence Centre for Sustainable and Innovative Public Procurement in Finland), Eurotowns (Network of Small and Medium-Sized European Cities), Eurocities (Network of European Cities), University of Twente (The Netherlands), Luiss (Private University in Rome), PIANOo (Dutch National Competence Centre on Public Procurement), Procure2Innovate (European Network of Competence Centres for Innovation Procurement), VNG (Organisation of Dutch Municipalities), Nevi (Organisation specialised in procurement trainings in the Netherlands).



Figure 2: Members of the Urban Agenda Partnership on Innovative and Responsible Public Procurement

The main coordination body of the Urban Agenda for the EU is the meeting of the Directors-General on Urban Matters (DGUM) from the Member States and its equivalents. The DGUM meetings are held once every Presidency, i.e. twice per year. In addition to the Member States, the European Commission, Committee of the Regions, The Council of European Municipalities and Regions (CEMR), European Knowledge Network (EUKN) and Eurocities and other organisations also participate. The Urban Development Group (UDG) meets at a technical level to prepare the meetings of the DGUM.



1.2.3. Working method and methodology

The Draft Action Plan of the Partnership has been presented in January 2022. This Draft was the result of the hard work of the Partnership. From January to February 2022, the public consultation took place. In this public consultation, public organisations, NGOs, private organisations and other stakeholders provided input and feedback on the Action Plan 2022. During the public consultation period 53 feedback responses on the Action Plan 2022 were received. Additionally, inter-service consultation feedback from European Commission on the Action Plan 2022 was provided. All received feedback responses have been assessed, and the Action Plan 2022 was adjusted, updated and revised accordingly.

In March 2022, the Action Plan 2022 will be sent to the UDG meeting. After the approval of the Action Plan, the members of the Partnership will commence implementing the actions.

The Urban Agenda Partnership on Innovative and Responsible Public Procurement expect to set up about 6 meetings per year, with a good balance between physical and online meetings. The physical meetings will be connected to important European events, such as e.g. the European Week of Cities and Regions. The Urban Agenda Partnership will be led by a coordinator (City of Haarlem, The Netherlands). Next to these general meetings for the whole Partnership, the members of the Action Groups will work on the three actions by using e.g. conference calls, e-mails and if necessary and possible at a physical location. This way, the momentum will be kept on the process of implementation of the three actions. Every Action Group will be coordinated by one or more action leader(s).

It is important that the briefings, materials and other outputs produced by the Urban Agenda Partnership are easy to read and to understand, which means that they are not too academic.

Different activities of this Action Plan 2022 will have different timeline depending on the priority, order and complexity. Some activities will be finished in a half year after approval of the Action Plan and some activities will be delivered at the latest in 2024.

2. Three actions on Innovative and Responsible Public Procurement

Looking across public procurement in Europe, we note there are plenty of initiatives and projects to develop strategic procurement, but also that many falter or fail when initial funding streams dry up. The strength of this Urban Agenda Partnership is that it has proven their added value through the time – it has been around for 5 years and is not financed from a temporary fund, since the members pay costs and participate from budgets supplied by their own organisations. An important added value is that the members of the Partnership are intrinsically motivated.

Furthermore, it is vital to invest in connecting various initiatives (one public procurement initiative to another, and public procurers to other related policy areas such as circular economy). There is a need

to scale up and speed up, building greater momentum for system-level change. This means more and better local projects are needed, plus enhanced leadership and coordination of system-level change.

This Action Plan 2022 aims to build capacity and capability within and beyond the UAPP (Urban Agenda Partnership on Responsible and Innovative Public Procurement) community to enhance procurement professionals' impact on cities' achievement of EU Green Deal goals. The three actions contribute to the EU Green Deal goals, Digitalisation, Innovation, Circular Economy and other European priorities by using Public Procurement as a strategic tool.

As presented in the figure below, all three actions are related to each other and will amplify each other. Through action 1, the Partnership will develop a procurement platform where partners can exchange knowledge, experiences, tools and more; the reflection board will identify challenges and struggles on public procurement and will provide recommendations. In action 2, public procurement and innovation will be used as strategic tools to work on EU Green Deal goals. Action 3 will look at ways and activities to provide sustainable economic recovery after the multiple crises, with case studies included. The three actions relate to each other: best practices of action 2 and 3 will provide input for the procurement platform and reflection board, whereas the reflection board will provide recommendations and input to work with procurement as a tool for achieving EU Green Deal goals, as well as sustainable economic recovery. Action 2 and 3 deal with different themes, but contribute to the development of the strategic use of procurement.



Figure 3: Relation between Action 1, Action 2 and Action 3.

The practical implications of this Action Plan 2022 and its actions will become increasingly visible during the implementation. For example, the results of the survey will point out what needs, challenges,



barriers and potential cities see in terms of innovative and responsible public procurement. In relation to the previous Action Plan 2018, this Action Plan will continue on the objectives and results of the previous Action Plan 2018. The Action Plan 2018 (with its seven actions) has laid the base for this Action Plan 2022 and to work on the three actions as presented.

These actions will contribute to the main objectives of the Urban Agenda of the EU. The three main objectives and pillars of the Urban Agenda are:

1. Better knowledge (Action 1, 2 and 3 will contribute to this pillar)
2. Better regulation (contribution through Action 1 recommendations of the reflection board)
3. Better funding (Action 2 will contribute to this pillar)

2.1 Action 1: Develop a reflection board supported by a sustainable platform where cities, regions, member states and the European Commission/institutions exchange ideas and experiences on strategic public procurement.

2.1.1 Description of the action

Public procurement is an important strategic tool that helps cities to deal with different economic, environmental and social challenges. It is no longer seen as only of interest to purchasers and budget holders but also as highly relevant to leaders and stakeholders as they address key policy priorities. The connection between the budget holders and decision makers is essential to make work of innovative and responsible public procurement. Since its launch five years ago, the partnership has developed into a lively procurement professionals' and stakeholders' network. This Action 1 will develop the network, increase its membership and develop its role and influence. It will develop a reflection board supported by a sustainable (online) platform, where cities, regions, member states and the European Commission co-develop public procurement practices and exchange ideas and knowledge within the Urban Agenda Partnership community of procurers. This information and materials might also be interesting for students, as our future European procurers.

Together, the reflection board and platform will serve as a hub for the (learning) network of procurers' community for knowledge, experience exchange and lobby/advocacy. Next to this, it will give insights in the needs, challenges and interests of procurers, function as a point of contact and promote the role and value of innovative and responsible public procurement, also among non-procurers (such as Small and Medium Enterprises (SMEs)). Through this, it can boost the systemic change that is needed in the field of public procurement

2.1.2 What is the specific problem?

- Public authorities face problems, issues and challenges in multiple areas such as achieving EU Green Deal goals, stimulating SMEs, pushing the economic recovery after the Covid-19 pandemic



and other crises and emergency situations, circular economy transition and fighting unemployment.

- Many public authorities still procure and select suppliers based on the lowest price, resulting in outmoded solutions for the problems that present themselves.
- The diversity of problems is accompanied by a lack of knowledge on innovative and innovation procurement tools among public authorities and how to use these tools effectively to address challenges.
- There are many existing platforms and learning resources. However, these are not well linked and accessible to all who would benefit.

2.1.3. What action is needed?

Action is needed to (i) extend and strengthen the community of city procurers into a learning network that is (ii) facilitated by a sustainable (long-term) platform and (iii) organised to advocate and represent effectively to promote responsible and innovative public procurement.

Through Action 1, the Partnership will:

- Help to bridge public authorities' knowledge gaps, capacity building, raising their awareness and knowledge on the strategic role of public procurement
- Help authorities to identify the use of a public procurement as a tool to stimulate SMEs through innovation procurement
- Look for the synergy with research institutions when it comes to innovation procurement (such as innovative procurement regarding recycling) and collaboration with the European Innovation Council (EIC)
- Develop and sustain the community of procurers to form a learning network
- It is necessary to adapt and develop the current platform to meet the needs of the community of procurers to the context of public authority at both global and sectoral levels
- Represent the needs and interests of the procurers on a local level, acting as a point of contact for others' consultations exercises, and promoting the role and value of strategic procurement in cities among non-procurement stakeholders
- Knowledge and experience exchange and guidance on how public procurement can help cities and other public authorities to deal with problems, issues and challenges.

2.1.4 Objectives

The Action 1 objective is 'to develop a reflection board supported by a sustainable platform where cities, regions, member states and the European Commission/institutions exchange ideas and experiences on strategic public procurement'.

Who will participate in the Reflection Board? The partners of the Urban Agenda Partnership on Innovative and Responsible Public Procurement will be primary members of the Reflection Board. In case of missing expertise other experts on procurement will be asked by the Partnership to provide input and feedback on a specific issue or topic.



Who will be the target group of the Procurement Platform? The partners of the Urban Agenda Partnership on Innovative and Responsible Public Procurement and their networks will be a starting point of the Procurement Platform. But the ultimate goal will be to involve and to include other procurers, budget holders, students and others who are interested in public procurement as a strategic tool. We expect this platform will help us to boost the innovative and responsible public procurement and will help to exchange knowledge, material, experience and identify (common) barriers and challenges.

The reflection board and platform will complement and be distinct from several linked associations and platforms. Synergies will be sought with other platforms, both current and yet to be developed. The Urban Agenda Partnership on Innovative and Responsible Public Procurement already had already had a fruitful exchange with DG Grow on collaboration regarding development of the European Procurement Platform.

Alongside to the Procurement Platform, the Reflection Board of the Urban Agenda Partnership on Innovative and Responsible Public Procurement provides value in several ways:

- The composition of the Urban Agenda Partnership is focused on European cities and towns and included a range of stakeholders as active partners
- An extensive network on local/regional/national/European level since 2017
- the Urban Agenda Partnership network is not a project with an end date; the Partnership is built on continued cooperation and collaboration
- a collaborative, partner-driven approach, with content created by the Urban Agenda partners using their knowledge, experience and expertise. This also means that entities outside of the UA partnership can join this platform and give input. The output will be (for example) the identification of challenges, problems, with recommendations.

2.1.5. Specific sub-actions

Sub-action 1.1 Survey of learning needs, priorities and obstacles

Serving also as a means of engaging with prospective new members, a survey will be conducted to map city procurers' learning interests and needs, priorities, barriers, obstacles, and enablers they experience in accessing and using learning resources and tools. These barriers could also refer to the suppliers viewpoint, for example SME engagement. The 2018 Action Plan had also formulated actions to bridge the gap and increase SME engagement, we will build on the gained knowledge and materials.

This survey will be conducted among the target group of the Partnership: its procurers. Examples of topics that can be addressed in the survey (amongst others) are organisation culture (a lot of organisations are risk-avoiding; the needs for innovative public procurement can be researched, as well as the receptiveness of management for procurers to participate in networks), experiences with regulation/legislation, how cities make work of contract management, etc. The survey can also show to what extent new ways of procurement are a priority. The cities/regions/member states experience



obstacles and these will be used as input for recommendation, Sub-action 1.5 (Develop advocacy role and capacity).

Deliverable A: a report – findings from the survey – with recommendations for the Partnership and others producing and disseminating resources

Sub-action 1.2 Build a platform

Investigate options and identify a technical solution that supports the exchange of ideas on how to embed public procurement to achieve innovative and sustainable goals by using a website, workshops on local, regional and national levels, different interactions. The platform itself will be digital, but study visits or peer to peer tools may be considered when needed for knowledge exchange.

Existing platforms/communities will be looked at as well as (co)developing new platforms/communities, with which the Partnership can co-collaborate or connect. The goal is to have an accessible and user-friendly platform. The Urban Agenda Partnership on Innovative and Responsible Public Procurement has had fruitful exchanges with DG Grow. DG Grow is developing a Digital Big Buyers Community platform. Collaboration and co-development of this platform would be a perfect example of synergy between an EC initiative and the Urban Agenda (Action 1).

The focus of the Action 1 is on the overall strategic approach of procurement. The possibilities of technical solutions for a platform will be investigated (website, interactive e-learning, podcasts, apps, interaction to identify procurement challenges, etc.). Next to this, the reflection board could work on a ‘feedback loop’ on the output side. It would have an added value if the platform could give the room for discussion about lessons learned (do’s and don’ts); knowledge exchange (e.g. sharing experiences on procurement for innovation and sustainability, guidance on how to translate foreign experience documents and discussing regulation and legislation). Where possible, the learning networks on European scale could be complemented by more local initiatives.

In addition, the European Innovation Council (EIC) is Europe’s flagship innovation program to identify, develop and scale up breakthrough technologies and game changing innovations. Under Horizon Europe, the EIC support goes far beyond funding and it aims at accelerating EIC innovations and growth of top deep tech companies. The platform can contribute to this, under Horizon Europe, to boost innovation procurement. The EIC Forum has also been established to mitigate the existing barriers in the uptake of innovation procurement and contribute towards an essential cultural change in this field. That’s why the collaboration between Urban Agenda Partnership on Innovative and Responsible Public Procurement and European Innovation Council is crucial; this valuable exchange is already started.

Also, the use of other existing platforms will be investigated, such as SUSTAINABLE PROCUREMENT PLATFORM | for a Sustainable Public Sector (sustainable-procurement.org) and for interactive groups Procurement Forum (procurement-forum.eu) that are open for any procurement professional to use and benefit from.



Deliverable B: Platform (a technical solution equipped with other possibilities for interaction, exchange of information and experience).

Sub-action 1.3 Strengthen the community of procurers and develop a learning network

The Urban Agenda Partnership on Innovative and Responsible Public Procurement exists since 2017 and includes procurers on local, regional, national, European levels, expert organisations and other stakeholders. Next to existing procurers and people involved in procurement – partners of the current Urban Agenda Partnership – the community of procurers will be accessible to all procurers, students, budget holders and everyone who is interested in using public procurement as a strategic tool and in knowledge and experience exchange. The current Urban Agenda Partnership members function as a base for the Reflection Board. When needed, other experts will also be consulted.

Deliverable C: An inclusive community of procurers connected through collaborative learning, operating within a procurement platform.

Sub-action 1.4 Develop existing Partnership learning resources

A key outcome of the Action Plan 2018 of the Urban Agenda Partnership on Innovative and Responsible Public Procurement is an e-learning module, with seven elements reflecting each action, displayed in figure 4.



Figure 4: E-learning module – outcome and deliverable of Action Plan 2018 (link: [Urban Agenda - Public Procurement \(maester.com\)](https://maester.com))



Other organisations such as Eurocities, ICLEI and URBACT are also developing learning and guidance materials related to the module elements. Working in collaboration with these organisations and networks, a mapping exercise will be conducted to identify relevant materials developed by other providers. The Partnership’s learning materials will be updated with new information and include appropriate links to promote access and uptake. Further promotion and dissemination of the e-learning module will be undertaken e.g. during webinars, presentations, social media, etc.

Next to this, the many European projects that have been funded, also gathered a lot of knowledge, which can be linked in the learning resources.

Deliverable D: Update Partnership e-learning module, with relevant links to other providers’ learning and guidance materials.

Sub-action 1.5 Develop advocacy role and capacity

Building on the Action Procurement Strategy from the Action Plan 2018, the Partnership will serve as a hub to inform decision-makers at the EU level about the obstacles that the cities/regions/member states may face when it comes to public procurement and to contribute to consultations. The involvement of decision-makers will be important to convince others of the value of innovative approaches to public procurement. Members of the Partnership will continue to pay attention to these issues during conferences, webinars etc. Resources for advocacy, outreach and stakeholder briefing will be collated sharing among Partnership members as needed. Next to this, responding to potential consultation from the European Commission and national level will also help to develop the advocacy role. Stakeholder engagement is important to manage and monitor the social impact of innovative and responsible procurement. It also should be noted that advocacy can be very time consuming. Outcomes of the survey (Sub-action 1.1 Survey of learning needs, priorities and obstacles) regarding obstacles will be used as input for this Sub-action.

Deliverable E: Centralised resource base of materials for advocacy

2.1.6. How to implement the action? What needs to be done?

ACTION 1 Develop a reflection board supported by a sustainable platform where cities, regions, member states and the European Commission/institutions exchange ideas and experiences on strategic public procurement.	
<p>Sub-action 1.1 Survey of learning needs, priorities and obstacles Deliverable A: a report – findings from the survey – with recommendations for the partnership and others producing and disseminating resources</p>	<p>Who? City of Haarlem, City The Hague, Nantes Metropole, Barcelona Provincial Council, Czech Republic, Pianoo, ICLEI,</p>



		Eurocities, University of Twente, City of Larvik
Activities		Estimated deadline
1	Design survey and collect data	↓
2	Analysis and report	↓
3	Communicate findings to key stakeholders	↓
4	Select and programme priority topics for the Partnership; input for recommendations Sub-action 1.5	Dec 2022
Sub-action 1.2 Build a platform Deliverable B: Platform (a technical solution equipped with other possibilities for interaction, exchange of information and experience).		Who? City of Haarlem, University of Twente, KEINO, Nantes Metropole, ICLEI, AGID, Pianoo, Region of Central Macedonia, DG GROW, City of Munich, City of Gabrovo, City of Turin
Activities		Estimated deadline
1	Mapping existing platforms to avoid overlap, exchange on possible collaboration on to develop platform	↓
2	Research requirements	↓
3	Research technical options	↓
4	Select preferred option	↓
5	Testing and implementation phase	↓
6	Promote to users and contributors (all partners)	2023 and ongoing
Sub-action 1.3 Strengthen the community of procurers and develop a learning network Deliverable C: An inclusive learning network of community of procurers connected through collaborative learning, operating within the platform		Who? City of Haarlem, Eurocities, Czech Republic, University Twente, KEINO, University of Twente, Luiss, ICLEI, AGID, Pianoo, Region of Central Macedonia, City of Gabrovo, City of Munich, City of Turin, City of Larvik
Activities		Estimated deadline
1	Scope current and potential community membership	2022
2	Develop a database of members	↓
3	Reach out to potential new members through a variety of channels (e.g. national professional associations)	2023



Sub-action 1.4 Develop existing Partnership learning resources Deliverable D: Update Partnership E-learning module, with relevant links to other providers' learning and guidance materials.		Who? Action leaders Action Plan 2018: City of Haarlem, AGID, Eurocities, Dutch Ministry of Infrastructure and Water Management, URBACT, City of Vantaa, Nantes Metropole, KEINO, plus Czech Republic, City of Larvik
Activities		Estimated deadline
1	Identify the new information & materials on 7 e-learning modules	↓
2	Adjust and update e-Learning modules	Ongoing through 2022 and 2023
3	Identify existing platforms (using a questionnaire)	↓
4	Contact for collaboration with the existing platforms	↓
5	Agree on the content of linkages and information that will be placed on the platform, and implement	June 2023
6	Promote Partnership e-learning module with Partnership resources and linkages	End of 2023
Sub-action 1.5 Develop advocacy role and capacity Deliverable E: Centralised resource base of materials for advocacy		Who? City of Haarlem, Nantes Metropole, Eurocities, ICLEI, Pianoo, DG ENV, DG REGIO, DG GROW, EIC
Activities		Estimated deadline
1	Respond to consultation requests	Continuously
2	Represent Partnership at events / meetings / conferences	Continuously
3	Recommendations on behalf of the Reflection Board	2023
4	Collate advocacy resources for exchange and mutual support among Partnership members	By June 2023 and ongoing

2.1.7. Implementation risks

- Resource uncertainty among partners – can undermine long term planning/actions
- Duplicating existing platforms/initiatives

2.1.8. Which partners?

Action Leader:

- City of Haarlem



Members:

- AGID
- Region of Central Macedonia
- City of Gabrovo
- KEINO
- Eurocities
- Luiss
- Nantes Metropole
- University of Twente
- Czech Republic
- City of Munich
- City of Turin
- City of Larvik
- Pianoo
- DG ENV
- DG REGIO
- DG GROW
- European Innovation Council
- ICLEI - Local Governments for Sustainability

2.2 Action 2: Achieve EU Green Deal goals by using public procurement and innovation as a strategic tools.

2.2.1. Description of the action

Through Action 2, the Partnership's learning network will co-create and exchange knowledge and understanding and support the skills development needed for using public procurement to help cities, towns and other public authorities to achieve EU Green Deal goals. Since digitalisation is a vital part of the EU Green Deal and innovation, it will be the driving force of this Action 2. Informed by the survey of learning needs and priorities (Sub-action 1.1), the Partnership will select priority topics and programme various learning events and resource development activities.

2.2.2. What is the specific problem?

Procurement professionals wanting to support EU Green Deal goals, face many challenges and barriers. Stakeholders may not be receptive; procurement leaders and teams may lack the necessary knowledge, skills, time or capacity. Although many resources (for knowledge and skills development and tools) are already available, these are often difficult to find, behind paywalls, difficult to use, or not entirely relevant. Professionalisation and digitalisation of the public administrations can be driving forces to address these problems.

2.2.3. What action is needed?

Action is needed to develop and share learning opportunities (events and resources/materials) to support the work of cities' procurement personnel in support of EU Green Deal goals and improve the relevance, accessibility and timeliness of these opportunities given the massive variety of circumstances in which learning needs arise. For this, the connection with knowledge institutions will be explicitly sought, so opportunities can be identified. Next to the EU Green Deal goals, social responsible goals are important as well, such as Corporate Social Responsible (CSR) Procurement and goals that boost inclusiveness, raise Gender Responsible Procurement (GRP). Social aspects of public procurement have been touched upon in our 2018 Action Plan and we will build on the gained knowledge and existing materials.

2.2.4. Objectives

Motivating and engaging procurers and other stakeholders is covered in Action 1. The focus of Action 2 is on knowledge, skills and capacity, for Public Procurement leaders and their teams, taking into consideration various degrees of expertise and focusing on specific, jointly selected vital topics. The main goal of this Action 2 is to contribute to EU Green Deal goals.

Since Innovation is a vital part of the EU Green Deal, this will be included in this action as well. Urban Agenda Partnership on Innovative and Responsible Public Procurement is going to collaborate with European Innovation Council (EIC) in order to embed and to use Innovation and Public Procurement as strategic tools. This action will promote knowledge and guidance on how to work with the EU Green Deal goals and how to use procurement as a strategic tool to do so. The knowledge, experiences and guidance can be taken to the platform of Action 1 as well. Best practices and examples can be included in a catalogue.

Through Action 2, the Partnership will, for agreed priority topics:

- Promote knowledge and experience exchange
- Produce guidance on how public procurement can help to deal with problems, issues and challenges
- Provide a catalogue of guidance and best practices;
- Help public authorities through workshops/study visits, list of existing guides on the national/regional/local level
- Contribute actively to knowledge development initiatives, either through individual members or collectively
- Promote digitalisation as a driving force in the context of EU Green Deal
- Promote innovation as a strategic tool

Also, it will develop ways of working (policies and methods) for developing and sharing learning opportunities which:

- Facilitates co-creation of knowledge, pooling members' expertise, and ease of exchange



- Promotes access to events and resources, and encourages uptake (e.g. catalogue of resources for a topic; translation of materials)
- Supports procurement leaders and trainers (e.g. exchange of training course designs)
- Encourages collaboration between providers of learning resources (e.g. links between platforms)

A series of sub-actions will – in combination – help extend the work of the partnership, leveraging past and future outputs and connecting and supporting cities’ procurement professionals.

2.2.5. Specific sub-actions

The specific sub-actions are:

Sub-action 2.1 Develop EU Green Deal related public procurement and innovation knowledge by facilitating active and frequent engagement with the EU (and the like) research, EIC and development programmes to encourage development and/or customisation of tools and learning materials for the cities’ context.

For key topics, identify requirements and opportunities for new tools, knowledge etc. and provide information to help relevant community members to engage. Knowledge and tools about digitalisation and innovation, which is a vital part of the EU Green Deal, will also be looked at.

Deliverable F: Guidance on knowledge development opportunities – how to find out about them and how to engage

Deliverable G: Workshop and a brief report on requirements identification mapped on to key programmes/calls

Sub-action 2.2 Design and organise expert briefings in a programme aligned with the needs identified from Sub-action 1.1 and organised according to the principles outlined above (access, co-creation, etc.). The briefing topics will align with priorities identified from the survey, and emerge from developing policy priorities, for example, as in Action 3, below. Briefings may be written documents or presentations (recorded webinars etc.), and will take various forms including guidance, and case studies.

Deliverable H: a simple process for commissioning briefings and sharing them, including design principles for the sessions

Deliverable I: Several briefings designed and delivered (also evaluated to enhance Deliverable H).

Sub-action 2.3 Signpost resources related to the learning network of the community of procurers priority topics. For selected topics, map the resources ‘landscape’ and post the map on the partnership’s platform (Sub-action 1.2), creating a method for the mapping process and helping users access the right resources for their needs. Developing the mapping and access process is closely integrated with Sub-action 1.2 (Build a platform) and Deliverable B.

Deliverable J: Resource maps developed and shared for three (or more) topics



ACTION 2 Achieve Green Deal goals by using public procurement and innovation as a strategic tools		
Sub-action 2.1 Develop EU Green Deal related public procurement and innovation knowledge Deliverable F: Guidance on opportunities – how to find out about them and how to engage Deliverable G: Workshop and a brief report on requirements identification mapped on to key programmes/calls		Who? City of Haarlem, ICLEI, Eurocities, Luiss, University of Twente, Dutch Ministry of Infrastructure and Water Management, EIC
Activities		Estimated deadline
1	Produce and circulate an overview of European R&D schemes with public procurement related calls and the potential roles and benefits for City procurement teams	↓
2	Review calls against priority topics for the Partnership	Q1 2023
3	Conduct a workshop with Partnership members and funding/research experts and report	Q3 2023
4	Promote opportunities to cities	Ongoing
5	Encourage participating cities to share the new resources and learning within the network	Continuously
Sub-action 2.2 Design and organise expert briefings Deliverable H: a simple process for commissioning and sharing briefings Deliverable I: Several briefings designed and delivered		Who? City of Haarlem, Luiss, City of Munich, City of Gabrovo, City of Turin, City of Prague, City of Larvik, City of Koszalin, SGI Europe, Czech Republic, Region of Central Macedonia
Activities		Estimated deadline
1	Organise first expert briefing	By end 2022
2	Organise second expert briefing	By end 2023
3	Organise third expert briefing	By end 2024
4	Develop and promote the process to encourage learning network members to self-organise briefings	By end 2023
Sub-action 2.3 Signpost resources related to the learning network of the community of procurers priority topics. Deliverable J: Resource maps developed and shared for three (or more) topics		Who? City of Haarlem, URBACT, Czech Republic, City of Koszalin, Dutch Ministry of Water Management and Infrastructure, ICLEI, University of Twente, Luiss, SGI Europe
Activities		Estimated deadline
1	Produce a resource map for a first priority topic	By end 2022



2	Produce a resource map for a second priority topic	By end 2023
3	Produce a resource map for a third priority topic	By end 2024

2.2.6. Implementation risks

- Resource uncertainty among partners – can undermine long term planning/actions
- High upfront costs in bidding for Research and Development funds, high payback if successful but competition is high
- Lack of continuity as funding ends.

2.2.7. Which partners?

Co Leaders:

- City of Haarlem
- University of Twente
- ICLEI

Members:

- City of Vantaa
- City of Prague
- City of Turin
- City of Larvik
- City of Koszalin
- SGI Europe
- City of Gabrovo
- Czech Republic
- Luiss
- Region of Central Macedonia
- City of The Hague
- Dutch Ministry of Infrastructure and Water Management

Stakeholders

- All members of the partnership

2.3 Action 3: Enabling Sustainable Economic Recovery Through Public Procurement

2.3.1. Description of the action

The Covid-19 pandemic has profoundly impacted many cities and countries across Europe. We have seen vital challenges around (amongst others) public health, morbidity and well-being, upon levels of unemployment and business sustainability, the need for retraining and requalification of employees,



around access to required goods and services, upon the competitiveness of city economies; and around ongoing environmental issues. There are also significant wider crises facing Europe, including around conflicts and migration.

There are emerging solutions to the challenges detailed above, including tax and business stimulation packages, new jobs schemes, and a continued shift towards a green transition. For the EU Urban Agenda Partnership for Innovation and Responsible Public Procurement, the process of buying goods, services and works (procurement) should be and is a crucial mechanism for stimulating Sustainable Economic Recovery and help to deal with challenges. Indeed, procurement can be used as a lever to enable sustainable economic recovery in response to any crisis or emergency.

Building upon previous research undertaken by the Partnership around how cities across Europe have adapted their procurement processes due to the pandemic, this Action 3 has and will seek to provide guidance upon how cities can use Public Procurement to stimulate sustainable economic recovery in response to crises. By sustainable economic recovery, we mean enabling businesses to return to developing and growing financially, but also in a manner that enables the wider-ranging local economic, social, health, and environmental challenges emerging from crises to be addressed.

The Action 3 presents ten critical activities which strategists, commissioners (those designing goods and services), economic development practitioners, procurers and other can undertake to utilise procurement as a lever to enable sustainable economic recovery in response to crises, together with a series of accompanying case studies. It is designed to support other cities to respond to crises, and particularly their Procurement Officers, to stimulate sustainable economic recovery.

2.3.2. What is the specific problem?

Cities across Europe face many challenges due to the Covid-19 pandemic, and other crises, particularly in re-stimulating their economy, addressing social and health issues, and enabling safety and environmental sustainability. Public procurement is one lever that cities can use to address these problems, and cities need advice on how they can do so effectively. This action paper describes ten key activities that cities can undertake and presents accompanying case studies (these were gathered through a call for examples by the partners involved in Action 3), see **Annex 1**. We will subsequently look to gather further cases into the future and share practice through this action.

2.3.3. Which action is needed?

The ten activities for stimulating sustainable economic recovery through public procurement outlined below and in Annex 1 are intrinsically linked to the procurement cycle. Procurement needs to involve a range of stakeholders, not just those involved in the procurement function but also strategists, economic development practitioners, commissioners, and contract managers. Figure 5 shows how each of the ten activities link to the six stages of the procurement cycle ([the six steps form part of URBACT's Online Course on Strategic Procurement](#)). The ten activities themselves, including case studies, can be found in **Annex 1**.





Figure 5 - Linking the ten activities to the cycle of procurement

2.3.4. How to implement the action? What has to be done?

Given the urgency of Action 3, a significant element of the work has been completed in the identification of the ten activities and the case studies. Action 3 will further develop case studies into the future and share how the 10 activities can be implemented into the procurement practices of cities across Europe. The 10 activities will be converted into an Expert Briefing (Sub-action 2.2 - Design and organise expert briefings) and widely disseminated (see also sub-actions 1.2 – Build a platform, 1.4 – Develop existing Partnership resources, and 2.3 – Signpost resources). As summarised below, the guidance will be promoted and further developed through three sub-actions.

ACTION 3 Enabling Sustainable Economic Recovery Through Public Procurement		
Sub-action 3.1 Prepare guidance		Who?
Deliverable K: Guidance on ways to support sustainable economic recovery and cases studies		URBACT
Activities		Estimated deadline
1	Identify activities, source cases and write up	Completed in Dec 2021
Sub-action 3.2 Promote the advisory and guidance paper		Who?
Deliverable L: URBACT sustainable economic recovery article		URBACT, City of Haarlem, Urban Agenda network, Procure2Innovate
Activities		Estimated deadline



1	Write and publish an article based on the advisory and guidance paper	Completed ⁶
2	Continued the promotion of an advisory and guidance paper through the platform developed as part of Action 1	Ongoing through 2022 and 2023
Sub-action 3.3 Collect and disseminate additional case study examples Deliverable M: Additional cases		Who? URBACT, Eurocities, ICLEI, City of Prague Dutch Ministry of Infrastructure and Water Management, City of Koszalin, SGI Europe, City of Gabrovo, AGID, City of Haarlem, Czech Republic, Procure2Innovate
Activities		Estimated deadline
1	Set up and disseminate a survey on how to deal with procurement challenges due to crises or emergencies	↓
2	Identify suitable examples, and write up cases	↓
3	Share the cases via the platform (Action 1) and expert briefings (Action 2), as appropriate	Ongoing through 2022 and 2023

2.3.5. Implementation risks

There are few risks with this action as the bulk of the work identifying the ten activities of associated with public procurement to enable sustainable economic recovery have already been identified, along with accompanying case studies. The only risks link to Action 1 and the Platform's development.

2.3.6. Which partners?

Leaders:

- URBACT

Members:

- City of Haarlem
- Eurocities
- Procure2Innovate
- AGID
- City of Gabrovo
- SGI Europe
- City of Koszalin

⁶ [Cities must rethink procurement for a healthier economic recovery | URBACT](#)



- City of Prague
- Dutch Ministry of Infrastructure and Water Management
- ICLEI
- Czech Republic

3. Recommendations

As a part of the Action 1 the Reflection Board will identify challenges, struggles and needs on innovative and responsible public procurement. Based on this information, the Reflection Board will provide recommendations. Our recommendations could inspire and suggest good policies, good governance and/or good practice examples, suggest and recommend adjustments of the procurement regulation and legislation (better regulation pillar), funding (better funding pillar). All recommendations will aim to contribute to innovative and responsible procurement uptake within the urban context.

The EU level could:

- Examine EU funding for joint cross-border procurement, procurement of innovation, strategic procurement, socially responsible procurement, food procurement, gender equality, and circular procurement.
- Considering recommendations and outcomes of reflection board for public procurement related issues and cross-cutting issues.
- Provide legal interpretation of (innovation) procurement aiming to increase legal certainty.⁷
- Provide subsidies to local administrations for temporary staff, who can analyse the concrete situation of the local procurement and suggest the implementation of a suitable strategy for responsible and innovative public procurement.

The Member State level could:

- Enable the exchange of Innovative and Responsible Public Procurement amongst cities. Member States could contribute to the uptake of Innovative and Responsible Public Procurement in cities by promoting the exchange of good practices within a national context (e.g. platform, reflection board).
- Enable capacity building on Innovative and Responsible Public Procurement. The uptake of Innovative and Responsible Public Procurement could be enhanced by capacity building of (municipal) staff, especially so in medium-sized and smaller cities.
- Enable training on different aspects of procurement, e.g. innovation, green, gender equality. The uptake of procurement capacity building can be enhanced by training or briefing (municipal) staff, especially in medium-sized and smaller cities.
- Examine the possibility of funding the national and regional procurement competence centres.

⁷ The Commission is currently organising several webinars around this recommendation. More on this can be found in **Annex 2**.



The City Level could:

- Provide low-threshold access to the European learning network, an interactive platform supporting local public authorities on capacity building.
- Access to community of procurers to exchange knowledge, experience, tools and other materials on innovative and responsible public procurement.
- Facilitate cooperation with other cities to share knowledge and experiences.
- Implement strategic public procurement. Municipalities have a vital lever at their disposal through the public procurement of goods, services and works. They can actively apply circular economy principles through applying circular economy considerations in eligibility and award criteria (e.g. the use of Life Cycle costing).
- Offer training, webinars and briefings on innovative and responsible public procurement for relevant staff and decision-makers.



4. Links with other commitments

4.1 Link with cross-cutting issues

European public authorities' spend of 2 trillion euros every year, makes public procurement a potent tool to address many and varied challenges public authorities are facing. The actions of this Action Plan 2022 have cross-cutting linkages with the following Urban Agenda Partnerships (upcoming, continued or finished).

Innovative and Responsible Public Procurement is inherently cross-cutting; working on this topic promotes cooperation across silos and sectors. Furthermore, Innovative and Responsible Public Procurement is a strategic tool to solve different social, environmental and economic challenges.

- Urban Agenda Partnership on Circular Economy: using circular public procurement as a strategic vehicle to make a transition to circular economy.
- Urban Agenda Partnership on Climate Adaptation: public authorities can achieve climate adaptation by using climate adaptation aspects in selection and award criteria in procurement.
- Urban Agenda Partnership on Urban Mobility: innovative and responsible public procurement can help to make the urban mobility greener and more sustainable, also by involving market parties and stimulating sustainable development and innovation.
- Urban Agenda Partnership on Air Quality: public authorities can improve air quality by using circular, sustainable criteria in procurement, improving environmental effects in positive way.
- Urban Agenda Partnership on Digital transition: innovative public procurement can help to speed up the digital transition, e.g. by formulating procurement need as a challenge innovative start-ups and SME will be stimulated to come up with innovative digital solutions.
- Urban Agenda Partnership on Sustainable Use of Land: by using sustainable and responsible public procurement.
- Urban Agenda Partnership on Energy Transition: by using circular, sustainable and responsible aspects of public procurement.
- Urban Agenda Partnership on Greening Cities: the money public authorities spend every year on procurement can be used strategically. If the Greening Cities is to be achieved, public procurement is an indispensable tool by including of greening aspects in all procurements and increasing biodiversity, more trees and green in cities, clean vehicles etc.



- Urban Agenda Partnership on Food: public procurement plays an important role in avoiding food waste, reduction of CO2 (e.g. through production and transport), making food healthier.
- Urban Agenda Partnership on Cities Equality: in selection and/or award criteria equality aspect can be used to achieve equality in cities by using procurement as a strategic tool, e.g. balance between male and female employers, equal wages for male, female, disabled employers.
- Urban Agenda Partnership on Jobs and Skills: public procurement can cover social aspects, e.g. help to create new jobs and internships for unemployed people or people with disabilities and distance to the labour market.



4.2 The Urban Agenda & Sustainable Development Goals

The Urban Agenda for the EU is part of the EU's commitment to both the New Urban Agenda and the 2030 Agenda for Sustainable Development. The actions addressed in this Action Plan correspond with the set commitments and goals in these international agreements. Innovative and Responsible Public Procurement is a topic that touches upon several of the cities critical challenges, both concerning social, economic and environmental issues.

The partnership acknowledges the 17 Sustainable Development Goals (SDGs) formulated by the United Nations as relevant for their work. The global challenges they address are also the challenges faced at an urban level. While working on the additional actions, the partnership aims to achieve the SDGs and the set targets.



Figure 6: United Nations SDG's

The actions of this Action Plan help to increase the use of public procurement as a strategic tool and contributes directly and indirectly to all SDGs, but especially to:

- SDG 1 No poverty, SDG 2 No hunger and SDG8 Good jobs and economic growth (through the creation of new jobs by using, e.g. Social Return of Investment, through Action 3);
- SDG 4 Quality education (through the involvement of academia and institutions in Urban Agenda Partnership and open source materials, tools and briefings also for students);
- SDG 5 Gender Equality and SDG 10 Reduced inequalities (through promoting of Gender responsible procurement);
- SDG 6 Clean Water and sanitation, SDG 7 Renewable energy, SDG 12 Responsible consumption, SDG 13 Climate action (through circular procurement and sustainable criteria in public procurement);
- SDG 9 Innovation and infrastructure (through innovative and innovation procurement, innovation procurement brokerage, through collaboration with European Innovation Council).

5. To conclude

The ‘Pact of Amsterdam’ of May 2016 has established the Urban Agenda for the EU: a new working method of thematic Partnerships seeking to optimise the utilisation of the growth potential of cities and to address social challenges. The Urban Agenda for the EU focuses specifically on three pillars of EU policy-making and implementation: better regulation, better funding and better knowledge. In 2018, the Action Plan of the Urban Agenda Partnership was approved with seven actions, which were delivered in 2020. In 2021 the partners of the Urban Agenda Partnership on Innovative and Responsible Public Procurement decided to continue their work, convinced that public procurement is a strategic tool that is more important, solid and vital than ever if it comes to deal with economic, environmental and social challenges.

For this Action Plan 2022, three actions have been identified:

Action 1: Develop a reflection board supported by a sustainable platform where cities, regions, member states and the European Commission/institutions exchange ideas and experiences on strategic public procurement.

Action 2: Achieve Green Deal goals by using public procurement and innovation as strategic tools.

Action 3: Enable Sustainable Economic Recovery through public procurement.

All three actions are related to each other. Action 1 will provide a procurement platform and a reflection board for knowledge and experience exchange and set up a community of procurers. Action 2 will provide content for the reflection board and platform of Action 1. Action 3 (economic recovery and guidance paper) has been elaborated more extensively in the last quarter of 2021 and is, therefore, input for the briefings and workshops of Action 2.

Furthermore, a Reflection Board (action 1) will identify possible experienced struggles and challenges on e.g. regulation and legislation, provide recommendations on innovative and responsible procurement uptake within the urban context.

Next to that, cross-cutting issues with other Urban Agenda partnerships will be looked at, as well as the connection of the three actions to the Sustainable Development Goals of the United Nations.

With three new actions for Innovative and Responsible Public Procurement, this document continues to build on the many existing initiatives and projects that relate to the work of the Partnership and the Action Plan 2018. We defined three actions to promote public procurement as a strategic tool in realising social, economic and environmental policy goals.

6. Monitoring

Action 1: Action Leader: City of Haarlem	Involved members	Deadline	State of Play
<u>Deliverable A:</u> a report – findings from the survey – with recommendations for the Partnership	City of Haarlem, City The Hague, Nantes Metropole, Barcelona Provincial Council, Czech Republic, Pianoo, ICLEI, Eurocities, University of Twente, City of Larvik	Q4 2022	
<u>Deliverable B:</u> Platform (a technical solution equipped with other possibilities for interaction, exchange of information and experience)	City of Haarlem, University of Twente, KEINO, Nantes Metropole, ICLEI, AGID, Pianoo, Region of Central Macedonia, DG GROW, City of Munich, City of Gabrovo, City of Turin	2023 and ongoing	
<u>Deliverable C:</u> An inclusive learning network of community of procurers connected through collaborative learning, operating within the platform	City of Haarlem, Eurocities, Czech Republic, University Twente, KEINO, University of Twente, Luiss, ICLEI, AGID, Pianoo, Region of Central Macedonia, City of Gabrovo, City of Munich, City of Turin, City of Larvik	Q4 2023	
<u>Deliverable D:</u> Update the Partnership e-learning module, with relevant links to other providers' learning and guidance materials.	Action leaders Action Plan 2018: City of Haarlem, AGID, Eurocities, Dutch Ministry of Infrastructure and Water Management, URBACT, Nantes, City	Ongoing through 2022 and 2023	



	of Vantaa, Nantes Metropole, KEINO, plus Czech Republic, City of Larvik		
<u>Deliverable E:</u> Centralised resource base of materials for advocacy	City of Haarlem, Nantes Metropole, Eurocities, ICLEI, Pianoo, DG ENV, DG REGIO, DG GROW, EIC	Q2 2023 and ongoing	



Action 2: Action leaders: University of Twente, City of Haarlem, ICLEI	Involved members	Deadline	State of Play
<u>Deliverable F:</u> Guidance on knowledge development opportunities – how to find out about them and how to engage	City of Haarlem, ICLEI, Eurocities, Luiss, University of Twente, Dutch Ministry of Infrastructure and Water Management, EIC	2023 and ongoing	
<u>Deliverable G:</u> Workshop and a brief report on requirements identification mapped on to key programmes/calls	City of Haarlem, ICLEI, Eurocities, Luiss, University of Twente, Dutch Ministry of Infrastructure and Water Management, EIC	2023 and ongoing	
<u>Deliverable H:</u> A simple process for commissioning and sharing briefings	City of Haarlem, Luiss, City of Munich, City of Gabrovo, City of Turin, City of Prague, City of Larvik, City of Koszalin, SGI Europe, Czech Republic, Region of Central Macedonia	Q4 2024	
<u>Deliverable I:</u> Several briefings designed and delivered	City of Haarlem, Luiss, City of Munich, City of Gabrovo, City of Turin, City of Prague, City of Larvik, City of Koszalin, SGI Europe, Czech Republic, Region of Central Macedonia	Q4 2023	
<u>Deliverable J:</u> Resource maps developed and shared	City of Haarlem, URBACT,	Q4 2024	



for three (or more) topics	Czech Republic, City of Koszalin, Dutch Ministry of Water Management and Infrastructure, ICLEI, University of Twente, Luiss, SGI Europe		
Action 3: Action leader: URBACT	Involved members	Deadline	State of Play
<u>Deliverable K:</u> Guidance on ways to support sustainable economic recovery and cases studies	URBACT	Q4 2021	Completed
<u>Deliverable L:</u> URBACT sustainable economic recovery article and promotion	URBACT, City of Haarlem, Urban Agenda network	Article: Q1 2022 Promotion: ongoing through 2022 and 2023	Article completed; Promotion ongoing
<u>Deliverable M:</u> Additional cases	URBACT, Eurocities, ICLEI, City of Prague Dutch Ministry of Infrastructure and Water Management, City of Koszalin, SGI Europe, City of Gabrovo, AGID, City of Haarlem, Czech Republic	Ongoing through 2022 and 2023	



Annex 1: 10 activities of Action 3 - Enabling Sustainable Economic Recovery Through Public Procurement

Activity 1 – pay suppliers promptly and early

Historically, cities and municipalities across Europe have had different terms and schedules for paying supplier invoices, ranging from within seven days of receipt of the invoice to six months after receipt. This can challenge some suppliers, particularly Small to Medium Sized Enterprises (SMEs), as longer payment terms can lead to cash flow issues, as SMEs are already paying their suppliers and their employees. To stimulate sustainable economic recovery through procurement and in response to crises, we advise cities to promptly pay their suppliers (within a maximum of 28 days) and, if possible, earlier than that. This is important because it will enable the circulation of money within the economy to be quicker and reduce the risk of businesses facing cash flow and liquidation challenges.

Case Study 1 – City of Haarlem

When Covid-19 shook up the world, many SMEs in the City of Haarlem (the Netherlands) reached out to the local government for help and support. A task force was set up to support local companies with arranging financial relief by the national and local government and deferral of (local) taxes. The question arose what more could be done, for example via public procurement.

At first, a list of the business sectors who struggled the most, was drafted. Secondly, it was matched with the purchasing calendar. And thirdly, it gave an insight into which current suppliers might be affected by the crisis.

Unfortunately, there weren't many new short-term-opportunities for local SMEs to do business with the City of Haarlem. Therefore, the attention focussed on the suppliers and consequently, contract management. With some suppliers such as the catering company, it was necessary to renegotiate the contract due to severely changed circumstances. Others just needed some leniency to survive. After all, these companies were in essence viable and solvent, yet were struggling to survive due to the crisis.

It turned out that in that last category, freelancers and other small companies in business services (especially policy and other advisors) were affected more than others. The leniency that was needed, was first and foremost to keep the cash flow going. The costs for the SMEs continued while the revenues diminished for the time being.

Since the payment of invoices by the City of Haarlem was already an established process with little room for improvement, the emphasis was put on the awareness of the people working within the process. The key success factor turned out to be the swiftness of response. If the budget holder would approve the invoice as soon as possible (or even better: grant an advance), the payment would be much quicker and therefore the cash flow of the businesses enhanced. That would make

or break the chances of survival during times of crisis. The average payment term of invoices to the City of Haarlem went from 23 days in 2019 to 19 in 2020 and resulted in 16 days from start to finish in 2021. It was a small step for the City of Haarlem, but a giant leap for the afflicted local SMEs.

Activity 2 – use social criteria to create jobs

The EU Procurement Directives of 2014 enabled national and regional governments and municipalities to utilise the procurement process to contribute towards realising broader social and environmental goals and were relevant to the type of good, service or work they were purchasing. Whilst some municipalities have taken advantage of this opportunity, the vast majority lack the capacity to build such considerations into their procurement processes. However, the use of social considerations and criteria can be an essential way of creating new jobs by making it a requirement for relevant procurements. Having a job means that people have more disposable income, stimulating sustainable recovery in other parts of the economy, most notably in retail. Therefore, we advise that cities start to include social criteria around job creation into all relevant procurement opportunities moving forward. This is important because it will contribute towards addressing the critical challenge of unemployment.

Case Study 2 – the City of Stockholm

The Labour Market Administration in the City of Stockholm (Sweden) created a tailored vocational training named "Safe Roads" in collaboration with the contractor Svevia. Svevia is a specialist in building and managing roads and infrastructure. The initiative is designed to prepare and welcome newcomers and unemployed and young people in the City of Stockholm to a future workplace in the sector. As part of the cooperation with Svevia, the City of Stockholm signed a partnership with Svevia with commitments around social inclusion and social sustainability, a model in the City of Stockholm called Job-partnership.

The tailored vocational training consisted mainly of certification training required for employment in the road industry. After four weeks of theory and certifications with the training provider, following a five-week workplace internship at Svevia in the contractor's operations in and around Stockholm. The cooperation successfully led to employment for those who participated in the tailored vocational training and has been repeated with Svevia as a partner and assigned contractor in the City of Stockholm.

Svevia is also a member of the City of Stockholm's network, the Integration Pact, a unique network comprising nearly 300 members from all sectors of businesses and the non-profit sector, working together to create a more inclusive labour market and city.

Activity 3 – use circular procurement to create new products

Most goods purchased through the procurement process have a limited lifespan – they are utilised to serve a particular purpose and then thrown away and replaced by new products. However, there is often an opportunity for such products to be recycled and reused or turned into something else, bringing economic and, more importantly, environmental benefits. Cities can contribute to sustainable economic recovery in response to crises by adopting a circular approach to the procurement of goods and working with businesses and social economy organisations to innovate and create new goods which are of use to municipalities and other organisations within that locality. Therefore, we advise that cities start to embed more circular approaches to procurement, which will enable both economic savings and environmental recovery. This is important because it reduces waste in both cost and environmental terms.

Case Study 3 – Metropolis Region Amsterdam

Aluminium is mainly used in the production of traditional traffic signs. The extraction and production of aluminium (bauxite) are harmful to the environment and cost a lot of energy and fossil fuels. Three municipalities (Zaanstad, Almere and Gooise Meren) of Metropolis Region Amsterdam (The Netherlands) decided to procure traffic signs and accessories together more innovatively and sustainably.

They prepared sustainable considerations to focus on less new aluminium for new traffic signs. They preferred the reuse of traffic signs. The suppliers could eventually offer signs of sustainable biobased material, provided they meet the same or better quality, lifespan and safety requirements as the current metal signs. A combination of biobased and aluminium was also allowed.

The rating criteria were the best price-quality ratio; sustainability criteria had a value of 40%. The tenderers made concrete offers with considerable CO2 reduction. The environmental and sustainability KPI's were based on science-based methods that were co-developed with research institution, CE Delft.

The successful result is a total saving of 180,340 kg CO2 equivalent over four years of the contract. The winner put CO2 requirements and more effective transport in the contract. This tender was entirely digital. Digital market consultation led to reduced emissions from travel and saved time and money for suppliers. The orderings from contracts are digital too. This all supported digital transformation and green deal priorities. They shared lessons learnt from their circular procurement via the national buyer group to inspire other municipalities.

Activity 4 – re-shape the activities and offer of existing suppliers

Many businesses that provide goods and services to governments have a particular specialism – the provision of uniforms for municipality workers, for example, or mental health services provision. The Covid-19 pandemic has already seen many suppliers developing new products, mainly providing protective equipment to health workers. However, there is an opportunity to do more of this in

response to other crises and be more equitable, with larger suppliers working closely with SMEs to develop new products and thus collaboratively growing their businesses. Therefore, we advise that cities start to work closer with suppliers and their supply chains to encourage them to work with SMEs and diversify into providing new types of goods and services. This is important because it enables businesses to diversify their offer and grow.

Case Study 4 - Galicia

Galicia has a steeper ageing population trend than other European regions and negative demographic growth. This is becoming a significant challenge for the sustainability of the Galician Public Healthcare system.

The Galician public health system (SERGAS) and Galician Agency of health (ACIS) implemented in Project CODIGO 100 innovative solutions to new challenges of the health system to guarantee active and healthy ageing. CODIGO 100 uses public procurement procedures for innovation (PPI), based on the preliminary market consultations, Map of Early Demand and the Quadruple Helix of Innovation in Health (with all stakeholders), as an innovation model focused on the resolution of a common challenge.

SERGAS and ACIS jointly developed the first Health Living Lab in Galicia as an example of collaboration with local companies (interviews with start-ups and SMEs, workshops or a Hackathon - Código Camiño). SERGAS launched 14 PPI tender processes with significant societal impacts. Innovative solutions such as AVATAR and PHR (available through E-Saude and TELEA) have been used during the pandemic to tackle the difficulties and disadvantages of the lockdown, ensuring the continuity of medicare services delivered online. In 2020 all primary healthcare centres in Galicia were connected to TELEA, which was a success because their patients could connect remotely to doctor.

Activity 5 – localise procurement and reduce the distance travelled by goods

The critical challenge that Europe and the world faces is climate emergency – as carbon emissions continue to rise, global temperatures and issues of poor air quality and poor environmental health. How procurement is undertaken can also contribute to increased carbon emissions with products travelling vast distances from their depot to the municipality that has purchased them and often by road. However, there can often be an alternative, with businesses also providing the required goods but which are based closer to the municipality making the purchase. Again, the EU Procurement Directives of 2014 enable cities to use procurement as a lever to realise broader environmental goals. Therefore, we would advise cities to start to think about the distance their goods are travelling and introduce environmental criteria into their procurement processes so that there is a maximum distance to which goods can travel. This would bring both environmental and economic benefits as more local organisations would be able to recover economically to crises through delivering more contracts. This is important because it enables local economies to grow and reduce carbon emissions.



Case Study 5 – City of Enschede

In the City of Enschede (Netherlands), the invitation policy was changed to give local entrepreneurs a small lead in the opportunity to bid for the the tender. This commenced before the Covid-19 pandemic but has continued during it. The local/regional economy and SMEs are stimulated by giving local/regional companies, start-ups, companies with a Werkpakt quality mark (a sustainability quality mark in the Netherlands) and SMEs the best possible opportunity to qualify for an assignment from the municipality of Enschede, with a preference to invite these companies for private and multiple private tenders. In a multiple private tender procedure, a minimum of three and a maximum of five companies are invited. If local or regional parties are eligible, at least two are invited to participate in the tendering procedure. Parties with a Werkpakt quality mark have priority over this procedure. In consultation with the regional contractors, Bouwend Nederland and the Tenderboard of the municipality of Enschede, the decision was made to purchase civil and cultural engineering works to professionalise further the selection of companies that receive an invitation.

Activity 6 – have effective dialogues with SMEs

Despite making up 99% of all businesses across the EU, just around 40% of all procurement contracts are delivered by SMEs. In addition, SMEs often face multiple barriers in engaging with procurement opportunities due to their scale, a lack of procurement skills and capacity, and a lack of awareness of procurement opportunities. This is something that has come to the forefront in the 2018 action plan and multiple actions in that. SMEs have also been some of the businesses hardest hit by the impacts of the pandemic and will be adversely affected by other crises. Therefore, we advise that cities increase their levels of dialogue with SMEs about procurement opportunities and improve the effectiveness of that dialogue. This should occur before the tender documentation is published and presents an opportunity to enable SMEs to recover economically from the pandemic and other crises by delivering more procurement contracts into the future. This is important because SMEs are the largest part of the economy, and support is needed to support them and the jobs they provide.

Case Study 6 – City of Koszalin

The City of Koszalin (Poland), has been consistently engaging in dialogue with SMEs through cooperation between the largest public procurers with local business organisations within the framework of a local action group. That helped them identify crucial barriers in detail and challenges SMEs face when participating in the public procurement market and elaborate possible solutions. The City promotes the idea of engaging with procurement opportunities by organising conferences and meetings, sharing the results of public spend analyses, and showing the good practices of successful local companies.

The City of Koszalin is also trying to improve the competence of entrepreneurs by running procurement law courses. Entrepreneurs learn how to bid effectively, go through all formal

difficulties, what rights and obligations they have, or what they need to know when signing contracts. In turn, the City trains procurers to use non-price criteria in public tenders, as the price criterion has dominated Poland for a long time. Public institutions are also encouraged to use the Local Business Catalogue as an essential source of information regarding local suppliers.

A package of facilitation for SMEs has been introduced to make more accessible city tenders: wherever possible, contracts are divided into smaller lots so that SMEs' potential could be sufficient for these. All requirements are not excessive and proportional to the symmetrical and mutually beneficial contract. More time is given to submit a bid, knowing that the minimum deadlines specified in the Public Procurement Law are often too short.

Activity 7 – engage with end-users and employees and co-produce tenders

The whole purpose of the procurement process is to provide goods, services and works in an economically efficient and effective manner. For the procurement of services, in particular, it is therefore essential that procurers understand the exact needs of the end service users to ensure there is no wastage of public funding, which can lead to reduced budgets for other needed services. To enable sustainable economic recovery, we would advise that cities review the economic efficiency of the goods, services and works they are already purchasing and engage the service users, including employees, in identifying the need and design of procurement tenders. This is important because citizens are the people that pay for procurement spending through the redistribution of their taxation, and employees are the people that will use the products - they should have a voice in how that money is spent.

Case Study 7 – Service Centre Helsinki

Palvelukeskus Helsinki (Service Centre Helsinki - Finland) is a municipal enterprise owned by the City of Helsinki. Palvelukeskus Helsinki partners with schools, day-care centres, senior centres, service homes and hospitals and provides more than 100 000 meals every day in over 500 sites. As part of procuring new work clothes for their employees, they participated in a preliminary market consultation. In addition, they also collected feedback from the employees of the clothes tenderers provided to procure functional, high-quality and safe work clothes.

This procurement included minimum criteria for social sustainability. For example, the companies had to provide a publication consistent with Transparency Pledge during the first contract year: the full name of all authorised production units and processing facilities, the site addresses, the parent company of the business at the site, type of products made and worker numbers at each site.

The potential suppliers also had to describe the whole supply chain, all the way from raw material, at least on the country level; the information needed to be provided without delay. The potential suppliers could also utilise third-party verifications of origin and traceability. The potential suppliers will also have to commit to contract period cooperation with Palvelukeskus Helsinki and provide



relevant goals, indicators and monitoring methods regarding textiles, fibres and fabrics' responsibility and the transparency of their supply chain.

One of the most engaging social sustainability criteria was the employment condition that the City of Helsinki aims to apply in all public procurement with the approximated value of 200,000 euros. The purpose of the employment condition is to help people in a difficult position (such as long-term unemployment or partial workability) in the labour market with finding work. According to the condition, the operator had to provide work for one person during the nine-month contract period, a minimum of 18 hours per week, or provide an apprenticeship position.

Activity 8 – develop a coherent procurement strategy detailing economic outcomes

Many national and regional governments and municipalities have a Procurement Strategy that outlines their overarching approach to procurement processes and practices, particularly around adhering to legislation, approach to risk, and policies for specific spend thresholds. However, few Procurement Strategies also set out in detail the broader outcomes the public authorities seek to achieve through procurement, such as addressing unemployment, improving skills or reducing carbon emissions. In order to enable sustainable economic recovery, we would advise that cities revisit their Procurement Strategies and start to include content around the economic, social and environmental outcomes they are looking to contribute towards through the process of procurement. This is important because it clearly outlines the types of economic outcomes a city seeks to achieve.

Case Study 8 – City of Gabrovo

The City of Gabrovo (Bulgaria) and the Municipal Energy Efficiency Network Effect developed criteria and requirements for executing a construction contract related to the qualification of the workers in the execution of contracts for construction containing energy efficiency measures. The potential supply chain for building materials was developed, as the achievement of quality construction requires quality materials with the corresponding qualities and technical characteristics, and to know the basic concepts and characteristics of buildings and energy efficiency and the objectives pursued. The workers were encouraged to understand the renovation principles, airtightness, operation with thermal insulation systems, etc. Contracting entities needed to ensure that workers on site have the necessary knowledge and qualifications to achieve optimal results.

The agreed criteria and clauses of the contract were aimed directly at ensuring the quality of the works carried out and the achievement to reduce the building's energy consumption. On the other hand, the indirect effects may be more significant during and after the Covid pandemic. Thus:

- firms will have the opportunity to increase their competitiveness through more skilled employees;
- firms may hire the less qualified workers that will be qualified;
- the more qualified workers are more attractive;



- workers who have lost their jobs due to difficulties in specific sectors will be able to retrain and enter the labour market without this being a burden on the employer, as we initially foresee it to be at the expense of the Contracting Authority.

Activity 9 – innovate and create new entrepreneurs and goods and services

A small number of municipalities across Europe have started to adopt PPI approaches to some of their procurements. Rather than issuing a specification to the market for a particular good or service, they encourage the market to develop new or innovative solutions to common challenges. This gives the municipality something new and novel, and the supplier a product or service that they can sell to other municipalities with similar needs, enabling the growth and development of that particular supplier and contributing towards sustainable economic recovery. We would advise that municipalities be encouraged to pilot and adopt Public Procurement of Innovation approaches moving forward. This is important as it enables new goods, services and works to be developed.

Case Study 9 – Open Tech Lab Roma

The Open Tech Lab Roma (Italy) project is entirely part of the strategy outlined in the Smart Business Plan 20-30, the hi-tech industrial plan developed by Roma Capitale in collaboration with other competent institutions, universities and companies. The administration of Roma Capitale proposes the realisation of the project by pursuing three priority strategic objectives: strengthen the ecosystem of innovation in Rome; cooperate in bridging the gap on technology transfer; achieve public-private financial sustainability. Concerning procurement, they seek to experiment with technological and business innovations on the city's real needs.

Activity 10 – promote consortia working

Apart from large infrastructure projects, historically across Europe, there is a little history of businesses coming together to develop joint bids for procurement opportunities and even fewer examples of collaborative delivery of projects. This can be down to challenges of geography and deciding upon which business takes the lead – but it can also be down to a lack of skills and capacity to work as consortia. An approach to procurement that promotes consortia working can enable more businesses to share the wealth of procurement spend and thus recover from the economic challenges posed by the pandemic. Therefore, we advise that cities encourage businesses to come together in consortia to bid for procurement opportunities. This is important as it enables smaller businesses to deliver economies of scale through joint activities.

Please note there is no case study yet for Activity 10. We tried to identify contemporary case studies where there were coherent links to addressing the challenges posed by the pandemic and other crises. We have not yet identified such a case study in relation to consortia working, but will look to do so as part of the implementation of this Action 1 in the coming period.



Annex 2: Addition to recommendation EU Level: Provide legal interpretation of (innovation) procurement aiming to increase legal certainty

Several webinars and brochures are organised to raise information awareness. In the following list some of the guides, webinars and brochures are listed:

- https://www.youtube.com/playlist?list=PLmwl0nkG0dPEi_pnJ7Rlos_Z8EBoXaABY
- [guidance on innovation procurement](#)
- [Quick guide from practitioners on the innovation partnership](#)
- [Guide on public procurement procedures and instruments in support of innovation](#)
- https://ec.europa.eu/growth/single-market/public-procurement/strategic-procurement/innovation-procurement_en

