CircularPSP Open Market Consultation – EUSEW | International

22.06.2023 - 10:00-12:00 (CET)

This project has received funding from the European Union’s Horizon Europe Pre-Commercial Procurement Programme, under Grant Agreement nº 101092208.
Technical: Subtitles and Translation

Teams offers captions and to translate them; it is not perfect but maybe helpful

**TURN ON LIVE CAPTION**

- Turn on via 3-dots (More)

1. ![Image of Turn on live captions]

2. ![Image of Language and speech]

- Select language (can be changed see right side)

**CHANGE LANGUAGE**

- See 3-dots in the new element
- Change Input = Spoken language (for recognition)
- Change Output = Caption which then translates (if necessary)

1. ![Image of Change spoken language]

Caption: English (UK)
Technical: Questions, slides etc.

All information will be shared

**DURING EVENT**

**Recording**
- The meeting will be recorded
- Video and mics are currently turned off for participants

**Questions**
- Ask anytime in chat
  - We try to pick up on questions during presentation to degree possible
  - If we do not, there is a very good chance your question will be answered on slides
- We will open mics and video during Q&A
- Q&A will be live following questions in chat and asked live
- Critical / new questions are added to FAQ on website

**AFTER EVENT**

**Presentation and video**
- Presentations will be shared on website: [https://circularpsp.eu](https://circularpsp.eu)
  - All registered are notified via mail
  - Video will be shared on website

**Staying informed**
- Suppliers should register in match-making platform
- Cities and other Procuers can become Preferred Partners
- All are invited to newsletter and social media channels
Objectives

To understand the scope of the project

To achieve a common understanding of the PCP process

To consult with potential suppliers of R&D solutions

To facilitate the establishment of partnerships
Contents / Agenda

1. Welcome and Introduction
2. CircularPSP Aim & Scope
3. Procurement and Tender Process
4. Q&A
5. Next Steps
Introduction

Summary of our Circular Economy (CE) challenge and the PCP instrument
Project

Leading Circular Cities are tackling a common challenge together

Representing Europe’s leading circular cities and regions

- **Istanbul, Turkey**
- **CircularBerlin, Germany**
- **Helsinki, Finland**
- **Sandyford, Ireland**
- **Guimarães, Portugal**
- **City Network Sweden**
- **City Network Slovenia**
- **ReLondon, UK**

**Follower cities**: Amsterdam, Bonn, more to follow

8 Procurers – 8 Countries
55 million citizens

Common challenge: accelerate transition towards a Circular Economy (CE)

€5.64 million investment in R&D

PCP Supported by RISE, TAGES AND EMPIRICA

1 Associated Partner involved in all activities
Sustainability transitions mapped

CE is the most challenging transition

Electricity = “upgrade”

Mobility = “substitution”

Heat = lots of legacy issues, complex, but “solved to a good part”

Circular Economy = “fundamental revolution”
You will become one of the leading thinkers on how to make public demand and local economy circular
The problems of transition to CE

Cities – or rather the few people who are involved with CE – are facing a complex problem

No capacity for CE transition in own; thousands of cities and business organisation

Access + Analysis of EU-wide case studies for local use/data information

Making CE actionable on city level and for all staff operation

IDEA A platform underpinned by AI using taxonomies and NLP to support cities, civil servants and local business
Circular Economy

Through circularity we want to utilise as few items as long as possible ... to stay within a loop or “fall” as few loops as possible.
### Core features of Pre-Commercial Procurement (PCPs)

PCPs create opportunities to solve horizontal problems which otherwise nobody would approach.

<table>
<thead>
<tr>
<th>WHAT IS A PRE-COMMERCIAL PROCUREMENT (PCP)?</th>
<th>WHAT ARE THE BENEFITS FOR SUPPLIERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instrument for public procurement of R&amp;D services</td>
<td>Create opportunities for companies to gain leadership in new markets</td>
</tr>
<tr>
<td>Public procurers act as demanding customers</td>
<td>Provides a large enough demand to incentivise industry to invest in wide commercialisation</td>
</tr>
<tr>
<td>Tool for innovation</td>
<td>Development in stages and testing of innovative ideas under real world conditions</td>
</tr>
<tr>
<td>Risk-benefit sharing under market conditions</td>
<td>Suppliers retain IPR ownership, procurers gains access under limited conditions</td>
</tr>
<tr>
<td>Interact closely with eight procurers operating eight countries</td>
<td>Visibility on EU-Level</td>
</tr>
</tbody>
</table>
CircularPSP Aim and Scope

What do we want from suppliers?
<table>
<thead>
<tr>
<th>WHAT WE DO WANT</th>
<th>WHICH MEANS THIS IS NOT FOR US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover all departments, sectors, value chains</td>
<td>“A” specific circular solution (others do that)</td>
</tr>
<tr>
<td>Achieve significant impacts of R-strategies</td>
<td>Squeeze last X% out of a specific use case</td>
</tr>
<tr>
<td>Enable anyone independent of starting point</td>
<td>Non-replicable cutting edge technology</td>
</tr>
<tr>
<td>Curating Circular Economy expertise</td>
<td>“Swinging it” with existing AI models</td>
</tr>
<tr>
<td>Scalability for all cities and long-term vision</td>
<td>Proof-of-concept approaches</td>
</tr>
</tbody>
</table>

1 Use what there is, but make it smart for our challenge.
## 3 User Groups

*Our users are local but all local users are facing similar challenges*

<table>
<thead>
<tr>
<th>CE EXPERTISE</th>
<th>USER GROUP DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Experts</strong></td>
</tr>
<tr>
<td><strong>Intermediaries</strong> are individuals with systemic expertise and responsibility for circular economy across the organisation and who build capacity within departments.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td><strong>Varying levels</strong></td>
</tr>
<tr>
<td><strong>Any municipal staff</strong> who would advance circular economy in the own department or across the entire city</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td><strong>Any local business</strong></td>
</tr>
<tr>
<td><strong>Any local business</strong> to deploy and supply the local circular economy. Users of the market platform, bidders to local procurements.</td>
<td></td>
</tr>
</tbody>
</table>
Solutions are making circular action possible through planning and day-to-day support

<table>
<thead>
<tr>
<th>A PRIORI DESIGN CIRCULAR MISSION</th>
<th>DAILY WORK (preparing anything maybe procurement)</th>
<th>PROCUREMENT</th>
<th>USE &amp; MONITOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solution setup in each city</td>
<td>Understand outset</td>
<td>Actual procurement conducted in specialised software</td>
<td>Record knowledge</td>
</tr>
<tr>
<td>Analyse local strategies</td>
<td>Research case studies + Learn / Train</td>
<td>APIs etc welcome</td>
<td>Keep track of stuff</td>
</tr>
<tr>
<td>Analyse local data</td>
<td>Picking the best R-strategy given a,b,c</td>
<td></td>
<td>Measure impact</td>
</tr>
<tr>
<td>Design a CE MISSION</td>
<td>Conduct necessary steps for R strategy</td>
<td></td>
<td>Inform followers</td>
</tr>
<tr>
<td>Set milestones for departments</td>
<td>Identify evaluation criteria</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pass on procurement info (if necessary)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Exemplary list
Desired Innovations

Each problem area requires digital innovation and CE expertise
## Information: Data Analytics

**Data Analytics** is to make sense of existing data and make it highly accessible to all users.

<table>
<thead>
<tr>
<th>INPUT</th>
<th>CORE FEATURES</th>
<th>OUTPUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web</td>
<td>Taxonomies</td>
<td>Case Summaries</td>
</tr>
<tr>
<td>Web</td>
<td>NLP</td>
<td>Local translation</td>
</tr>
<tr>
<td>Web</td>
<td>CE Intelligence</td>
<td>Indicators</td>
</tr>
<tr>
<td>City</td>
<td></td>
<td>Details to follow</td>
</tr>
<tr>
<td>City</td>
<td></td>
<td>Linked to Workflows</td>
</tr>
<tr>
<td>City</td>
<td></td>
<td>Sources will be in Tender Specs</td>
</tr>
</tbody>
</table>

- Case Studies from anywhere
- Public tender platforms
- Statistics
- Open Data
- Depends on city
- Anything openly available
- Definitely strategies/documents
Organisation: Public Service Platform

A platform is to provide access to data, insights on CE missions and the workflows

### Structure of Interface (Exemplary)

<table>
<thead>
<tr>
<th>City</th>
<th>Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>CE Mission</td>
<td>Targets</td>
</tr>
<tr>
<td>Impacts</td>
<td>Impacts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Advanced</th>
<th>Basics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Networking, Visibility, Co-Creation + X</td>
<td>Networking, Visibility, Co-Creation + X</td>
</tr>
</tbody>
</table>

#### Technical Requirements

- Details to follow
- **Scalable**
- **Run in cloud or on city server (TBD)**
- **Modular (i.e. payable plugins possible)**
- **Interoperability**
- **Multi-language support**
Operation: Workflow (day-to-day) following CE Mission (long-term)

The CE Mission gives focus and Workflows enable all users to act circular

**WORFKFLOW (I.E. PROCESS)**

1. User searches for current task
2. System lists case studies
3. System creates workflow with helpful training
4. Aided by steps user picks suitable CE-strategy
5. User follows steps to implement strategy
6. User creates knowledge nugget

System learns from habits of understanding / use / dropouts etc

**WORFKFLOW - REQUIREMENTS**

- Clear structure
- Status must be clear
- Solve barriers

Approach: up to you (e.g. flow, chat, lists)

Users are regular municipal staff ... best have some expertise on user group
CircularPSP is technology neutral

**Our focus is to describe the actual problem** – you need to come up with technical and practical solutions

**Buyers Group defines (very complex) problem and award criteria**

**Suppliers define the solution**

...any constellation of technologies is thinkable if it fulfils design principles and requirements etc. ...

*Most likely: We will phrase design principles + specific requirements*
Procurement and Tender Process
Pre-Commercial Procurement vs. Traditional Public Procurement

**Pre-Commercial-Procurements (PCP) create a new, competitive market for Research and Development (R&D) services and development**

<table>
<thead>
<tr>
<th><strong>PRE-COMMERCIAL PROCUREMENT</strong></th>
<th><strong>TRADITIONAL PROCUREMENT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Procurement (Buyers Group)</td>
<td>Individual Procurement (single department)</td>
</tr>
<tr>
<td>High degree of innovation / R&amp;D effort required</td>
<td><strong>Low degree</strong> of solutions’ innovation</td>
</tr>
<tr>
<td>Prototype development: medium-/long-term</td>
<td>Mature product/service: immediate/short-term</td>
</tr>
<tr>
<td>Competitive development: several suppliers</td>
<td><strong>Single contract</strong>: one supplier</td>
</tr>
<tr>
<td>New IPR – Risk/Benefit-sharing</td>
<td>Often based on existing IPR</td>
</tr>
<tr>
<td>Special legal framework in Horizon Europe/WTO</td>
<td><strong>National public procurement</strong> rules apply</td>
</tr>
<tr>
<td>Development in multiple phases</td>
<td>Development in one phase</td>
</tr>
</tbody>
</table>
PCPs follow a multi-staged process to select the most suitable and promising innovation; R&D services are funded at all stages.

**PCP Structure**

**Phase 0**
- Curiosity Driven Research
- Open Market Consultation

**Call for Tenders**
- Call open for industry participation

**Phase I**
- Solution design

**Phase II**
- Prototype development

**Phase III**
- Original development of limited volume of first test products / services

**Phase IV**
- Deployment of commercial volumes of end-products
  - [OUTSIDE OF CircularPSP SCOPE]

**Applied R&D / Pre-commercial Procurement (PCP)**

**Public Procurement of Innovative Solutions (PPI)**

**Jan. `23 – Oct. `23**
- 3 Months + 2 Process
- 4 + 1 Months €846k PCP Budget 6 Suppliers
- 7 + 1 Months €2.256k PCP budget 4 Suppliers
- 11 Months €2.538k PCP budget 2 Suppliers

Values are expected to exclude and not require VAT.
PCP Tendering | Core requirements for Suppliers

All core requirements are derived from the EU directive on competition

**ELIGIBILITY CRITERIA**

- Tender is open to all **types of operators** (companies or other type of legal entities) regardless of their size or governance structure
- Both **single entity** or **joint tender offers** (consortia) are possible
- The call will be open to all participants, as long as a **minimum of 50% of the project R&D activities/budget takes place in the EU or Associated countries**
- Participation in the open market consultation is not a condition for submitting a tender

**GENERAL REQUIREMENTS**

- **Electronic Submission via e-mail**
- **3 months for submission starting Nov 2023** (To be confirmed)
- **Official language is English**
- **IPR sharing, if suppliers do not exploit results**
Contract award | Project

For each of the three phases the same rules on contract, monitoring, payments and IPR apply

| One Lead Procurer                                                                 |
| All contracts, invoices and payments go through the lead procurer who acts on behalf of all procurers |

| Contracting                                                                 |
| Framework agreement with **specific contracts in each phase** |

| Monitoring                                                                  |
| During each phase, contract implementation is **monitored periodically** and reviewed against the expected outcomes |

| Completion criteria                                                        |
| **Satisfactory completion** of milestones and deliverables: requirement for payment --- **Successful completion** permits entering next Phase |

| Intellectual property rights                                              |
| Suppliers **keep ownership of the IPRs** attached to the results generated during the PCP implementation, but must exploit |
Next Steps
The Request for Tender is expected for November 2023

CircularPSP Timeline

<table>
<thead>
<tr>
<th>PREPARATION AND TENDER</th>
<th>SELECTION AND PCP PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research &amp; OMC (Jan. – Oct. ’23)</td>
<td>Tender evaluation</td>
</tr>
<tr>
<td>Matchmaking Platform + Networking (Sep + Oct)</td>
<td>Phase I</td>
</tr>
<tr>
<td>Procurer Survey</td>
<td>Apr. ‘24 – Aug. ‘24</td>
</tr>
<tr>
<td>Preferred Partner Interaction (Sep with ICLEI)</td>
<td>Phase II</td>
</tr>
<tr>
<td>Tender Launch + Training Events (est. November)</td>
<td>Phase III</td>
</tr>
<tr>
<td>Q&amp;A anytime (FAQ already online)</td>
<td>May. ‘25 – Mar. ‘26</td>
</tr>
</tbody>
</table>

1 Two months for evaluation
Suppliers are invited to create a consortium

Search of partners is supported with the Matchmaking Platform

MATCHMAKING

- Become visible among other suppliers looking for partners
- Steps, describe:
  - What you are looking for
  - What you are offering
  - Some basics + contact information
- Completing the form takes only ~5 minutes
- We encourage companies that cannot cover the whole CircularPSP solution to team up with other companies and apply together with international partners in a joint tender (consortium).

We will organise a match-making events in September / October

PLATFORM

- Location: [https://circularpsp.eu/matchmaking/](https://circularpsp.eu/matchmaking/)
BECOME PREFERRED PARTNER

If you are interested in solutions and suppliers:
- Simply state your interest via mail to CircularPSP@empirica.com
- We only need a brief description and a logo
- We invite you to events and aim to allow testing by preferred partners

QUESTIONNAIRE

- Provide us with reflected input on content and conditions of CircularPSP
- Location: https://circularpsp.eu/survey/
- Completing the form takes ~12-18 minutes (depending on level of detail)
This project has received funding from the European Union’s Horizon Europe Pre-Commercial Procurement Programme, under Grant Agreement n° 101092208.

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