CircularPSP Pitch Deck

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3. PCP Process
4. PCP Tendering Introduction
5. Background on PCP and PPI Instruments
Overview

General consortium’s structure and core activities
Leading Circular Cities are tackling a common challenge together

**Istanbul,** Turkey

**Guimarães,** Portugal

**CircularBerlin,** Germany

**City Network** Sweden

**Helsinki,** Finland

**City Network** Slovenia

**Sandyford,** Ireland

**ReLondon,** UK

8 Procurers – 8 Countries
55 million citizens

Representing Europe’s leading circular cities and regions

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

€5.64 million investment in R&D

PCP Supported by RISE, TAGES AND EMPIRICA

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

1 Associated Partner involved in all activities
Project Overview

CORE FACTS

Project
- CircularPSP
- Public Service Platforms for Circular, Innovative and Resilient Municipalities through PCP
- Duration: Jan ‘23 – March ‘26

Procurement
- Type: Pre-commercial procurement (i.e. innovation procurement as tender)
- Budget for PCP: €5,640,000
- Open Market Consultation: April-July 2023
- Tender (expected): November 2023

CONSORTIUM

Procurers

Supported by

Associated and Preferred Partner

ReLondon
2. CircularPSP Aim & Scope

Main needs and components of the CircularPSP project.
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
- Making CE actionable on city level and for all staff

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.

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**THE SHORTER THE PATH THE BETTER = CLOSER TO ORIGINAL PURPOSE**


**HOWEVER...IT IS COMPLICATED**

- Easy
- Hard
- Impossible

This depends on:

- Value chain / Case
- City strategy
- User commitment
- User expertise
- City data
- Local companies

**MINDSHIFT** I could procure less or use “services”

**MINDSHIFT** I need to consider more. Who helps me?
CircularPSP needs

CircularPSP defined the common challenge along four shared “needs”

- **ICT tools to improve organisational and operational performance**
- **Data analytics using taxonomies to exploit and exchange CE information and data**
- **Remove language barrier and unlock EU-wide knowledge and learnings**
- **Induce and accelerate circular and digital change**
Desired Innovations

Each problem area requires digital innovation and CE expertise

- AI using taxonomies, NLP
- Public Service Platform
- Circular Missions & Workflows
- Organisation
- Training & Education
- Operation
### 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></td>
<td>NLP</td>
<td>Local translation</td>
</tr>
<tr>
<td></td>
<td>CE Intelligence</td>
<td>Indicators</td>
</tr>
<tr>
<td>City</td>
<td>Depends on city</td>
<td>Details to follow</td>
</tr>
<tr>
<td></td>
<td>Anything openly available</td>
<td>Linked to Workflows</td>
</tr>
<tr>
<td></td>
<td>Definitely strategies/documents</td>
<td>Sources will be in Tender Specs</td>
</tr>
</tbody>
</table>
Organisation: Public Service Platform

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

**STRUCTURE OF INTERFACE (EXEMPLARY)**

- **City**
  - CE Mission | Impacts
  - Department: Milestones Overview and possible actions
  - Staff: Workflows + Capacity Building & Training, Skills
  - Networking, Visibility, Co-Creation + X

- **Business**
  - Targets | Impacts

**TECHNICAL REQUIREMENTS**

- Details to follow

- **Scalable**
- **Run in cloud or on city server (TBD)**
- **Modular (i.e. payable plugins possible)**
- **Interoperability**
- **Multi-language support**
The CE Mission gives focus and Workflows enable all users to act circular

**Operation: Workflow (day-to-day) following CE Mission (long-term)**

**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 is responsive to city mission & user expertise (i.e. elements of “personal AI”)**

**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

 Most likely: We will phrase design principles + specific requirements

 Suppliers define the solution

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

PCPs create incentives in domains where mature solutions are missing and reduce risks for both procurers and suppliers to innovate.
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

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

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

**Jan '23 – Oct '23**
- 3 Months + 2 Process

**3 Months**
- 4 + 1 Months € 846k PCP Budget 5-6 Suppliers
- 7 + 1 Months € 2,256k PCP Budget 3-4 Suppliers
- 11 Months € 2,538k PCP Budget 2 Suppliers

**5 - 6 Suppliers**
- Supplier A
- Supplier B
- Supplier C
- Supplier D
- Supplier E

**3 Suppliers**
- Supplier A
- Supplier B
- Supplier C

**2 Suppliers**
- Supplier B
- Supplier D

[OUTSIDE OF CircularPSP SCOPE]
Open Market consultation (OMC) scope

Each procurer organised one OMC event with national focus; the materials are available online

OMC IN A NUTSHELL

- Open Market Consultations consist of a series of meetings to provide procurers a chance to reach out to market stakeholders and explain the CircularPSP challenge. OMCs also serve to start a discussion to validate their specifications (requirements) and gather innovative ideas to be reflected in the call for tender documents.

- The OMCs run between May 09th until June 30th and each procurer hosted an event and invited potential suppliers to present the scope of the OMC.

- The events were recorded to allow sharing afterwards.

- Language: local and/or English.

LINKS TO RECORDINGS:

<table>
<thead>
<tr>
<th>Country</th>
<th>Date</th>
<th>Meeting Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference</td>
<td>(ALL EN)</td>
<td>International (22 June): <a href="https://circularpsp.eu/event/omc-information-meeting-international">https://circularpsp.eu/event/omc-information-meeting-international</a></td>
</tr>
<tr>
<td>Berlin</td>
<td>(09 May)</td>
<td><a href="https://circularpsp.eu/event/berlin">https://circularpsp.eu/event/berlin</a></td>
</tr>
<tr>
<td>Slovenia</td>
<td>(18 May)</td>
<td><a href="https://circularpsp.eu/event/omc-information-meeting-slovenia">https://circularpsp.eu/event/omc-information-meeting-slovenia</a></td>
</tr>
<tr>
<td>Istanbul</td>
<td>(07 June)</td>
<td><a href="https://circularpsp.eu/event/omc-information-meeting-istanbul">https://circularpsp.eu/event/omc-information-meeting-istanbul</a></td>
</tr>
<tr>
<td>Guimaraes</td>
<td>(12 June)</td>
<td><a href="https://circularpsp.eu/event/omc-information-meeting-guimaraes">https://circularpsp.eu/event/omc-information-meeting-guimaraes</a></td>
</tr>
<tr>
<td>London</td>
<td>(19 June)</td>
<td><a href="https://circularpsp.eu/event/open-market-consultation-london">https://circularpsp.eu/event/open-market-consultation-london</a></td>
</tr>
<tr>
<td>Helsinki</td>
<td>(20 June)</td>
<td><a href="https://circularpsp.eu/event/omc-information-meeting-helsinki">https://circularpsp.eu/event/omc-information-meeting-helsinki</a></td>
</tr>
<tr>
<td>Sandyford</td>
<td>(21 June)</td>
<td><a href="https://circularpsp.eu/event/omc-information-meeting-sandyford">https://circularpsp.eu/event/omc-information-meeting-sandyford</a></td>
</tr>
<tr>
<td>Sweden</td>
<td>(29 June)</td>
<td><a href="https://circularpsp.eu/event/omc-information-meeting-sweden">https://circularpsp.eu/event/omc-information-meeting-sweden</a></td>
</tr>
</tbody>
</table>
The Request for Tender is expected for November 2023

CircularPSP Timeline

PREPARATION AND TENDER

Research & OMC (Jan. – Oct. ’23)

OMC Events (May-June ‘23)

Matchmaking Platform + Networking (Sep + Oct)

Procurer Survey

Preferred Partner Interaction (Sep with ICLEI)

Tender Open (Nov. ‘23 – Jan. ‘24)

Tender Launch + Training Events (est. November)

Q&A anytime (FAQ already online)

SELECTION AND PCP PROJECTS

Tender evaluation

Feb. ‘24 – Mar. ‘24

Phase I

Apr. ‘24 – Aug. ‘24

Phase II

Sep. ‘24 – Apr. ‘25

Phase III

May. ‘25 – Mar. ‘26

* 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).

**PLATFORM**

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

We will organise match-making events in September / October
PCP Tendering Introduction
Funding principles
A PCP is a tender, not a grant

- Financial offers are requested for each phase (up to the ceiling)
- The offer has to include all costs (including tax if applicable)
- The payment is made based on offered price …
- … after receipt of invoice and approval of work
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**
For each of the three phases the same rules on contract, monitoring, payments and IPR apply

<table>
<thead>
<tr>
<th>One Lead Procurer</th>
<th>All contracts, invoices and payments go through the lead procurer who acts on behalf of all procurers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting</td>
<td>Framework agreement with <strong>specific contracts in each phase</strong></td>
</tr>
<tr>
<td>Monitoring</td>
<td>During each phase, contract implementation is <strong>monitored periodically</strong> and reviewed <strong>against the expected outcomes</strong></td>
</tr>
<tr>
<td>Completion criteria</td>
<td><strong>Satisfactory completion</strong> of milestones and deliverables: requirement for payment --- <strong>Successful completion</strong> permits entering next Phase</td>
</tr>
<tr>
<td>Intellectual property rights</td>
<td>Suppliers <strong>keep ownership of the IPRs</strong> attached to the results generated during the PCP implementation, but must exploit</td>
</tr>
</tbody>
</table>

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Contract award | Project
Background on PCP and PPI Instruments
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>PRE-COMMERCIAL PROCUREMENT</th>
<th>TRADITIONAL PROCUREMENT</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>Low degree 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>Single contract: 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 H2020/WTO</td>
<td>National public procurement rules apply</td>
</tr>
<tr>
<td>Development in multiple phases</td>
<td>Development in one phase</td>
</tr>
</tbody>
</table>
What is a Pre-Commercial Procurement (PCP)?

Core features

<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><strong>Instrument for public procurement of R&amp;D services</strong></td>
<td>Create opportunities for companies to gain leadership in new markets</td>
</tr>
<tr>
<td><strong>Public procurers act as demanding customers</strong></td>
<td><strong>Provides a large enough demand</strong> to incentivise industry to invest in wide commercialisation</td>
</tr>
</tbody>
</table>
| **Tool for innovation**  
(EC sees the need but no offer on market) | **Development in stages** and testing of innovative ideas under real world conditions |
| **Risk-benefit sharing under market conditions** | Suppliers retain **IPR ownership**, procurers gains access under limited conditions |
| **Interact closely with six procurers operating 21,000 buildings** | **Visibility on EU-Level** |
Further information on PCPs

PCP references (selection)

- Legal Basis for PCPs:
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