

CORVERS

COMMERCIAL & LEGAL AFFAIRS

Pre-Commercial Procurement: Benefits and challenges

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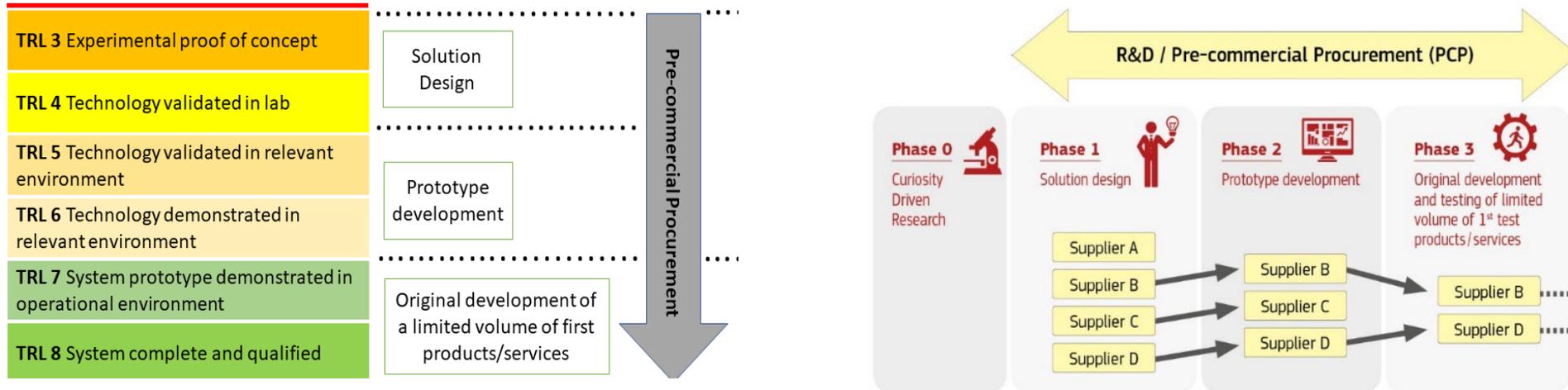
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Agenda

- What is Pre-Commercial Procurement (PCP)?
- Benefits for companies and market opportunities
- Challenges of PCP
- The PROTECT project



What is Pre-Commercial Procurement (PCP)?



PCP is a public procurement of Research and Development (**R&D**) **services** characterized by:

- ✓ **competitive** development in **phases**
- ✓ **risk-benefit sharing** under market conditions → Public procurer does not pay the full cost of the R&D performed under the contract
- ✓ a clear **separation** between the procurement of the R&D from the deployment of **commercial volumes of end-products**

Benefits for companies and market opportunities



Key benefits for the supply side

- Open up concrete business opportunities
- Speed up time to market for innovations
- Attract investors / scale up internationally
- Create jobs / technological leadership

Key benefits for the demand side

- Steer and speed up the development and/or adoption of innovative solutions to:
 - Improve quality & efficiency of public services
 - Address wider societal challenges

Venture Capital opportunities

Contracting Authorities

- Ensure a sustainable solution for supporting their needs



Contractors

- Commercialize their solution
- Business Growth

VCs (Business Angels, VC private & public)

- Ensure a profitable investment
- Easy exit strategy

KEY TAKEAWAYS:

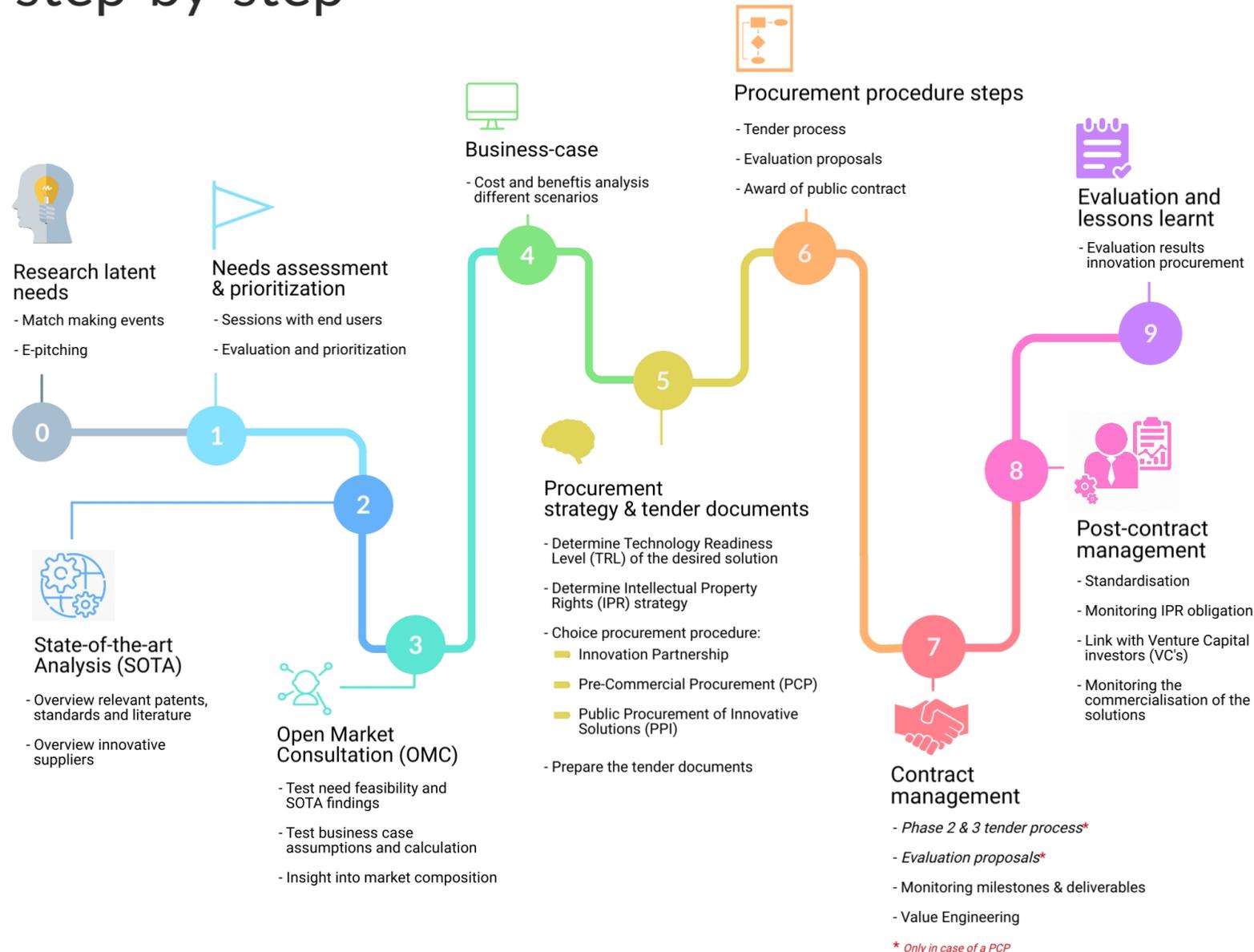
- Solid commercialisation plan is a prerequisite
- PCP provides to a company a concrete demand base
- Phase 3 is more attractive to VCs as it de-risks their investment
- Collaboration with Contracting Authorities is important to promote the results to a wider audience

Challenges for public buyers

- Lack of knowledge about PCP and its legal framework
- Insufficient resources (human, technical, economic)
- Risk averse-attitude → uncertainty about the outcomes
- Lack of collaboration between different departments
- Lack of political commitment
- Monitoring of the contract execution



EAFIP methodology step-by-step



PROTECT in a nutshell...

PROTECT is a two-year EU-funded project aiming to bring together leading European cities and regions willing to procure climate services solutions based on environmental observation data to adapt to and mitigate the effects of climate change and achieve their climate policies and goals.



- PROTECT will prepare the ground for a EU Pre-Commercial Procurement (PCP) – an innovation procurement approach that enables the public sector to steer the development of new solutions directly towards its needs, even before their market entry.
- Through PROTECT, public authorities facing similar challenges related to climate change will be connected and accompanied in the definition of their specific needs for Climate Services in 5 domains.

Marine and coastal environments



Energy & Utilities



Sustainable urban communities



Agriculture, forestry and other land use



Civil security protection



PROTECT – Key achievements

Identificationn of challenges and enabling frameworks for PCP & preliminary needs for EO climate services

Jun 22 - Jun 24



Jun 22 - ongoing

[Survey Link](#)

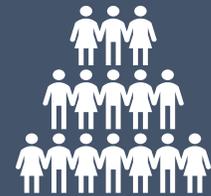
Building PROTECT's visibility and connecting with key stakeholders

[Survey Link](#)

Sep 22 - Mar 23



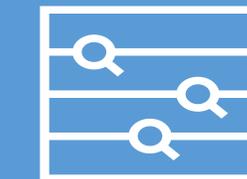
Conference on 17 Nov 2022, Barcelona



68 members already !

Building the [PROTECT Community](#) of public authorities/ procurers

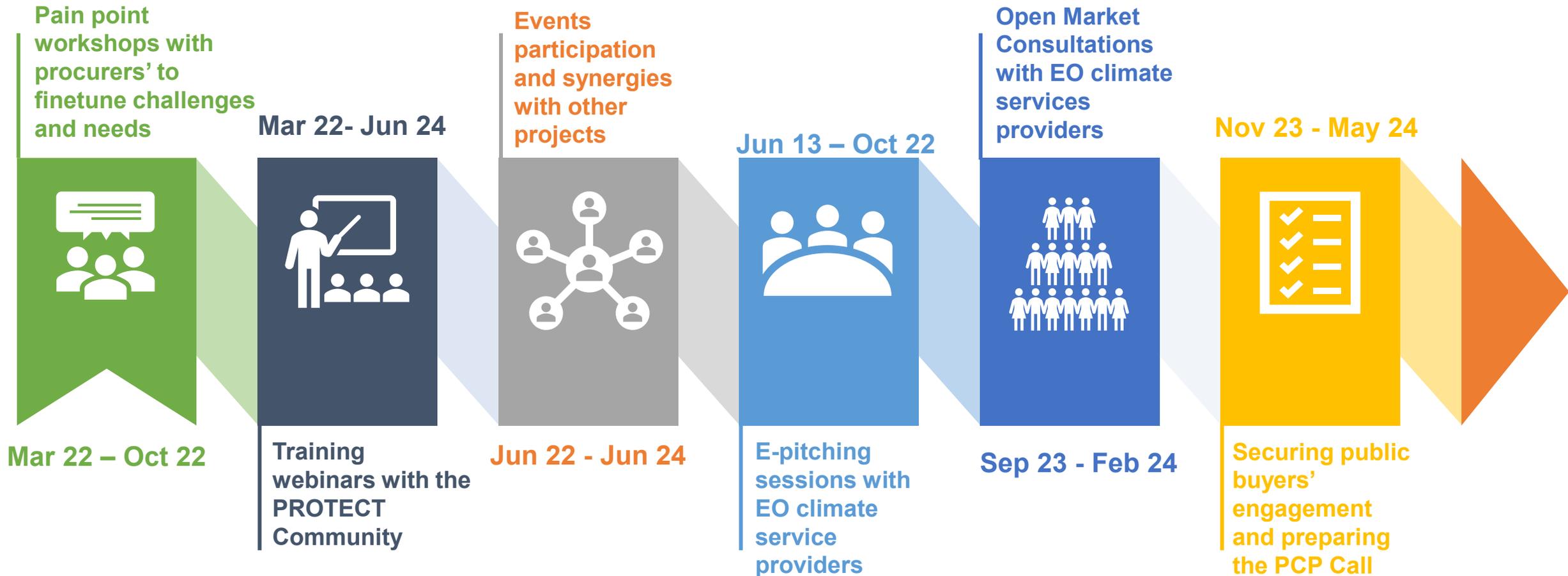
Taxonomy of climate services



200+ providers identified

Mapping of EO climate service providers

PROTECT – Next steps



Thank you for your attention!

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Join the PROTECT community!

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Twitter: https://twitter.com/EU_PROTECT

