




**INNOVATION
PROCUREMENT
BROKERS**

INNOVATION PROCUREMENT BROKER: COSTS AND BENEFITS

WP1

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Abstract	This report describes and analyses costs and benefits of innovation procurement brokerage as part of the Innovation Procurement Broker business model. It is an annex to D1.1 “Innovation Procurement Broker: Business Model”.
Keywords	Costs, benefits, Innovation Procurement Broker
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1. Introduction

Deliverable 1.3 (“Innovation Procurement Broker: Costs and benefits”) of the InnoBroker project is an annex to Deliverable 1.1 (“Innovation Procurement Broker: Business Model”). While Deliverable 1.1. delineates the major components of the business model for an Innovation Procurement Broker (IPB) (e.g. IPB scope, value and activities), Deliverable 1.3 describes and analyses costs and benefits that arise when an IPB supports a public buyer in the preparatory steps leading to innovation procurement. The comparative analysis of costs and benefits of an IPB is a complementary part of the business model. It aims at assessing the economic factors when implementing brokers in the field of public procurement for innovation to enable the sustainability of the business model for an IPB and ensure replicability. Ultimately, the business model is expected to mobilize the innovation procurement ecosystem.

The analysis of costs and benefits of innovation procurement brokerage was done in close cooperation with the InnoBroker pilot brokerage partners from AAC – Andalusian Knowledge Agency (Spain), Gate21 (Denmark), OUAG – Office of Upper Austrian Government (Austria), PTI – Procurement Transformation Institute (Ireland), and ZENIT – Center for Innovation and Technology in North-Rhine Westphalia (Germany).

The data for the analysis of costs and benefits are taken from:

- Experiences from the brokerage of five pilot innovation procurement cases (involving 11 buyers), which were carried out within the InnoBroker project in Austria, Denmark, Germany, Ireland and Spain during 2019-2020
- Time logs of the brokers recorded during the implementation of their services for the five pilot projects in five countries (number of working hours per implemented service element per buyer) and information on travel expenses and material costs incurred
- Results of an InnoBroker buyer survey (n=11) regarding the previous experiences of the buyers with innovation procurement, future actions concerning the InnoBroker pilot innovation procurement cases, and the added value of innovation procurement
- Added values of innovation procurement brokerage derived from an in-depth analysis of the five pilot innovation procurement cases¹ and evaluation of their importance by 11 participating buyers (feedback of the InnoBroker buyer survey).

The report begins with general terms and conditions of the costs and benefits associated with innovation procurement brokerage (section 2), and provides estimates of costs of brokerages services (section 3) as well as an assessment of benefits and the importance of added values for buyers (section 4). Finally, an overview of Innovation Procurement Brokerage impacts is presented (section 5).

¹ Kienegger M., Hirt R., Buchinger E., Watt J. (2019). InnoBroker: Comparison of Brokerage. Deliverable 1.2 of the InnoBroker project.

2. General terms and conditions of costs and benefits of an IPB

Background

Public procurement has long been recognised as an important driver of innovation. However, obstacles such as risk aversion due to a lack of practical experience and expertise in innovation procurement, as well as pressure on public finances and expected considerable burdens in terms of time, often prevent public buyers from launching an innovation procurement case. Instead, buyers tend to rely on established commercial suppliers with an impeccable reputation and substantial turnover, as well as on standard solutions that have proven to be reliable. For a buyer to be able to increase the risk margin – a prerequisite of innovation procurement –, potential risks must be anticipated, and risk mitigation measures must be in place. In addition, innovation procurement must be accompanied by significant benefits (e.g. time and cost savings, solutions to unmet needs) that can be achieved within a reasonable period of time.

Public buyers are expected to carry out all tasks of an innovation procurement process, from the identification of needs to tendering, either by themselves or with the support of central procurement organisations or consultants, once they have identified an unmet need. In such cases the support often focuses only on the tendering procedure. However, as many of the pilot procurement cases in InnoBroker have shown, public buyers often need someone to drive what the buyers do not prioritise in their daily routine, and someone to motivate, accompany and guide them through the innovation procurement process – either through parts of the process or through the entire process, such as an Innovation Procurement Broker (IPB). Yet, while innovation procurement brokerage creates benefits for buyers, the suppliers and in the long run also for the society, it also causes costs.

Decision problem

The question arises whether the benefits of an IPB justify the costs of the broker (to be borne by the public buyer or external funds), or whether a buyer should carry out all activities related to innovation procurement with own staff or external consultants (e.g. law firms, publicly subsidized central procurement organisations).

Time horizon of an innovation procurement case and broker costs and benefits

The duration of the procurement case depends on the duration of the individual steps required to complete the procurement case. Within the InnoBroker project, brokerage services for individual buyers were carried out over a period of up to 22 months, with most pilot procurement cases not reaching the tendering phase (due to delays and financial constraints caused by the Covid-19 pandemic). Similarly, other brokers estimate a time horizon of 9-21 months for activities from needs assessment to early announcement of tendering (i.e. of the 'intention' to buy a critical mass of solutions 'if' market can deliver solutions matching specific requirements by a set date) and another 6-8 months for the period from the start of the

tendering (contract notice) to the award of the contract (estimates for public procurements of innovative solutions).²

The costs of a broker are incurred during the implementation of the brokerage services (i.e. in the first 1-2 years of the procurement process). The benefits of a broker/a brokerage arise both during the procurement process and after the actual procurement of innovative products or services. Short-time benefits relate, on the one hand, to general added values such as the mobilisation of public buyers to carry out innovation procurement, increased effectiveness and upscaling for European added value and, on the other hand, arise directly from the execution of the service elements (see section 4). Long-term benefits of a broker are gained once the procured innovative solutions are deployed and as long as they are used (e.g. time and energy savings, more efficient services for citizens), as in some cases the process of innovation procurement would neither have been initiated nor completed without the support of a broker. Eight of the 11 buyers involved in the InnoBroker pilot innovation procurement cases indicated in a survey that they would not have started an innovation procurement case without an IPB. While short-term benefits mainly occur during the first two years of the procurement process, the duration of long-term benefits depends on the product or service purchased and can range from a few years to several decades, as effects may take time to emerge.

Procedure of innovation procurement brokerage

Nine service elements (i.e. the service portfolio of the IPB) have been identified in the InnoBroker project, ranging from procurement promotion to need identification, strategy development, market analysis, need-innovation match, financing identification, procurement upscaling, tender-procedure support and to benefit demonstration³. The order of service implementation follows the specific conditions of each procurement case and the situational requirements of the stakeholders involved (buyer, supplier, broker etc.).

Probability of occurrence of costs and benefits

Implementation of the IPB services incurs costs but also provides benefits. The extent of the costs incurred and benefits gained depends on the choice of services that a public buyer requests for a specific innovation procurement case.

Depending on a buyer's previous experience in innovation procurement, the buyer's clarity regarding the specifications of a solution for an unmet need, and the time resources available, the level and extent of support a buyer requires from an IPB may vary between different procurement cases and buyers. For example, experienced buyers of innovative solutions may not need a demonstration of benefits or support for the tender procedure, while inexperienced buyers may be heavily reliant on it. Nevertheless, both types of buyers could readily outsource the market analysis to a broker and acknowledge the identification of financing sources.

² EAFIP (2020) The EAFIP TOOLKIT. Module 2: An operational module addressed to public procurers aimed at clarifying the prerequisites and key steps to design and implement an innovation procurement process (PCP and PPI)

³ For details of the nine service elements see: Buchinger *et al.* (2020) Innovation Procurement Broker: Business Model. Deliverable 1.1. of the InnoBroker Project.

Similarly, an IPB may or may not incur costs related to travel and event organisation for individual services, depending on the support needed. Nevertheless, a broker can never guarantee a successful outcome of the brokerage activities in terms of a need-innovation match, as this always depends on a number of various factors, such as the availability of suitable innovative solutions and suppliers, the availability of the required budget, and external factors such as reallocation of budget within the buyer's organisation (as sometimes caused by the Covid-19 pandemic). Yet, the broker's efforts may be responsible for initiating an innovation procurement case and increase the likelihood of successful innovation procurement (e.g. by providing assistance in the specification of actual needs, market analysis, and access to a wide range of national and international economic operators).

Types of costs and benefits of an IPB

The costs and benefits resulting from the activities of an IPB must to be clearly distinguished from the costs and benefits of the procurement process in general and the procured product or service in particular. In the following, we will deal with the costs and benefits of a broker rather than the costs and benefits of general innovation procurement, even though in some cases, innovation procurement would not have been initiated without the support of a broker.

Both costs and benefits of innovation procurement brokerage can be tangible and intangible. Tangible costs and benefits can either be directly or indirectly related to brokerage activities. Tangible costs are quantifiable costs related to an identifiable source. They can be directly connected to labour, materials or business activities or indirectly related to the company (e.g. overheads such as rent, utilities, management). Tangible costs of an IPB comprise for example direct costs for personnel, inventory, computer systems, travel and event organisation (e.g. trainings, workshops) and indirect costs such as overheads. Intangible costs are unquantifiable costs deriving from an identifiable source. Many of these costs are generally non-material in nature and arise from social, legal, or political causes. Since they often have a negative impact on business performance, they must not be ignored. Examples of intangible costs of an IPB include the dissatisfaction of buyers or suppliers, or risk of need-innovation mismatch. In analogy to the above, tangible benefits of an IPB can include prospective revenue from fees, the use of appropriate external funding, e.g. from European Structural Funds, regional and national funds, and possibly even venture capital or potential revenue from IPR. The intangible benefits of an IPB may include increased customer satisfaction and awareness of innovation procurement, or an increased number of successful innovation procurement cases.

3. Analysis of costs of an IPB

The organisational context of a broker (maintenance costs), his/her prior expertise (indirect qualification costs) and access to buyers and suppliers due to established contacts (other indirect costs) as well as local circumstances for innovation procurement (hassle costs) all influence the costs of the brokerage services delivered. As a result, costs of individual cost categories can vary significantly between individual innovation procurement brokerages.

To derive comparable costs from all five pilot studies, only service implementation costs are considered in the following analysis, as tangible costs that go beyond implementation costs were impossible to assess and compare between the pilot studies. Service implementation costs comprise personnel costs and other direct costs, including travel costs and event costs (such as room rents and catering for the organisation of workshops).

Personnel costs

Personnel costs are calculated based on the time logs that brokers of the five pilot innovation procurement brokerages kept to document the workload entangled with the performance of the tasks assigned to the individual service elements. Time logs provided the number of hours worked per service element and individual buyer (Table 1).

As hourly personnel costs and allocated personnel cost rates vary significantly between EU member states⁴, both on a national and regional level, assumptions on hourly personnel costs were made for standardisation reasons. The average number of hours worked per service element was calculated and multiplied by assumed costs of € 100 (including overheads) per working hour. Since not all brokers were able or required to implement tasks associated with all service elements within the project duration (as each innovation procurement case requires a different selection of service elements), the number of data records available per service element varied for the individual service elements.

Table 1: Mean number of hours worked by broker per service element and buyer (Source: Time logs of brokers involved in the pilot innovation procurement cases)

SERVICE ELEMENT	MEAN NO. OF HOURS WORKED	NO. OF DATA RECORDS
Procurement promotion	21.36	11
Need identification	83.04	10
Strategy development	15.00	3
Market analysis	58.13	10
Need-innovation match	53.00	9
Financing identification	22.86	7
Procurement upscaling	11.44	9
Tender-procedure support	51.17	4
Benefit demonstration	35.00	6

⁴ Eurostat: Median gross hourly earnings, all employees (excluding apprentices), 2014-de.png [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Median_gross_hourly_earnings_all_employees_\(excluding_apprentices\)_2014-de.png](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Median_gross_hourly_earnings_all_employees_(excluding_apprentices)_2014-de.png)

To implement brokerage services, brokers occasionally need to meet face-to-face with buyers and suppliers. In the pilot brokerage examples, it was usually the broker who travelled to the buyer, also because of budgetary constraints of the buyers concerning travels. Average travel costs per brokerage service are given in Table 2. Meetings, e.g. need identification and buyer-supplier workshops are often held at the buyer's premises. As in most cases the buyer bears the costs for the meeting rooms and catering for the participants, no precise figures for costs are available. For calculation purposes, the following costs can be assumed:

- Room rent for up to 15 participants per day: € 400
- Catering per participant for one-day meetings (2x coffee, 1x lunch): € 40

Travel costs, event costs and other costs

Other costs include licences for market search tools such as the IPlytics platform. An assumed share of the yearly license costs is included in the overall calculations (Table 2).

Table 2. Average implementation costs (in €) of service elements (Source: Time logs and other documentation of pilot brokerages)

SERVICE ELEMENT	DIRECT COSTS	OTHER DIRECT COSTS			TOTAL
	Personnel	Travel	Event	Other*	
Procurement promotion	2,136	320	-	-	2,456
Need identification	8,304	90	100	-	8,494
Strategy development	1,500	-	-	-	1,500
Market analysis	5,813	-	-	2,000	7,813
Need-innovation match	5,300	220	250	-	5,770
Financing identification	2,286	-	-	-	2,286
Procurement upscaling	1,144	100	80	-	1,324
Tender-procedure support	5,117	-	-	-	5,117
Benefit demonstration	3,500	100	80	-	3,680

* e.g. Share of costs for licences of market search tools such as IPlytics platform <https://www.iplytics.com/>

4. Analysis of benefits of an IPB

By facilitating innovation procurement, the IPB aims primarily at providing value for the customer segments (public buyers and suppliers), even though the broker's activities may also lead to benefits of other stakeholder groups. A wide range of benefits i.e. added values, of an innovation procurement broker has been identified for the target group of buyers.

Direct broker benefits (e.g. external funding, improved procurement process) were not possible to assess in an objective way, as brokerage costs were covered by the InnoBroker project (external funding, 100% cost savings) and most of the buyers participating in the pilot procurement cases had not carried out innovation procurement before. Consequently, this analysis of benefits of innovation procurement brokerage focuses on indirect broker benefits.

Indirect benefits in terms of 30 added values of innovation procurement brokerage were derived from an in-depth analysis of five innovation procurement brokerage pilots carried out in the InnoBroker project⁵. While 27 of them are directly related to the nine service elements offered by the IPB, three of them represent general values that can be associated with overall innovation procurement brokerage (Table 3). Eleven buyers participating in the pilots were surveyed and asked to assess the relevance of the values along a three-part scale (high – medium – low). For ease of data processing the ratings of relevance were translated into figures (high: 1; medium: 0.5; low: 0.1) and both means per value and means per service element calculated. This resulted in a possible range between 0.1 and 1 per value as well as per service element (Table 3).

According to the ratings of the surveyed buyers, values related to the service element “Market analysis” were rated top (mean rating of three values: 0.91), followed by values associated with the service elements “Need-innovation match” and “Financing identification” as well as “General Values” (mean rating of three values: each 0.81; see Figure 2 and Table 3). Values generated by the IPB service “Benefit demonstration” were considered as being of least relevance to the interviewed buyers (mean rating of three values: 0.48).

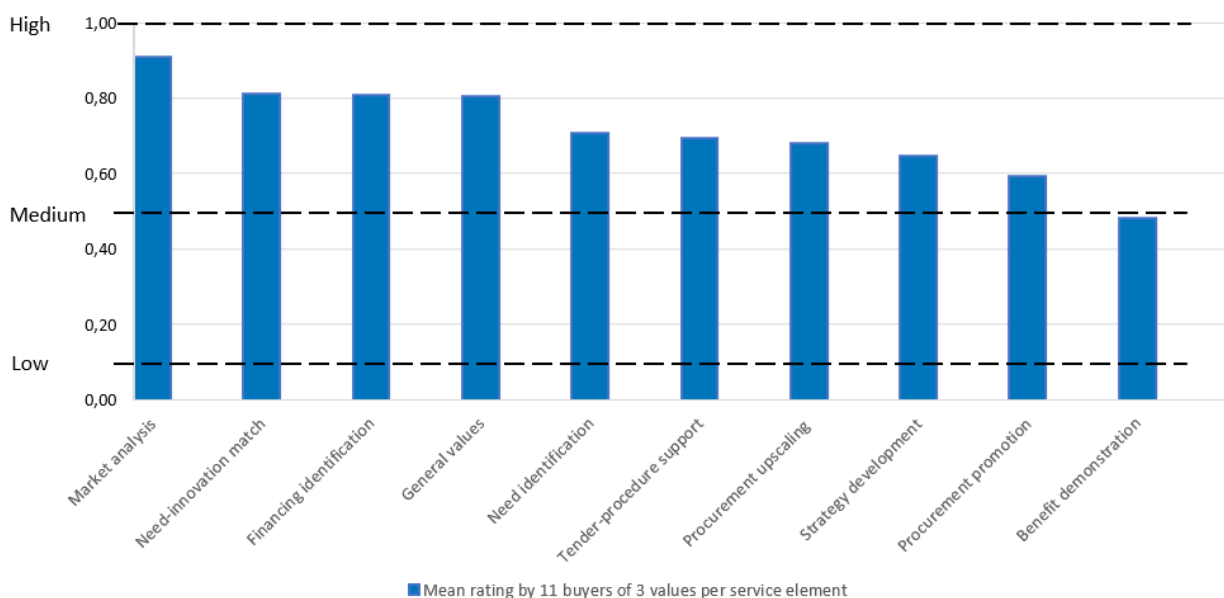


Figure 1: Overview of ratings (mean of 11 buyers) of three added values per service element of an innovation procurement broker. (Ratings are based on a three-part scale: high = 1, medium = 0.5, low = 0.1)

⁵ Kienegger M., Hirt R., Buchinger E., Watt J. (2019). InnoBroker: Comparison of Brokerage. Deliverable 1.2 of the InnoBroker project.

Table 3: Ratings (mean of 11 buyers) of added values associated with an innovation procurement broker. (Ratings are based on a three-part scale: high = 1, medium = 0.5, low = 0.1; SE: Service element)

ADDED VALUES	MEAN / VALUE	SE	MEAN / SE
Organize events such as workshops, info days, roadshows to distribute general information about opportunities and barriers of innovation procurement (i.e. awareness raising)	0.45	Procurement promotion	0.59
Provide trainings and/or guidance on how to conduct innovation procurement for buyers and prepare for settings where buyers can learn from each other's experiences concerning public procurement	0.65		
Show how the buyer can contribute to the regional/national innovation strategy, and how a public body may act as an innovation driver ("role model") and thereby serve as a reference for others	0.69		
Support the identification of needs; bringing new ideas, approaches and understanding of innovation to the buyers	0.75	Need identification	0.71
Draft the first need statement; guiding the buyer through the need specification process step-by-step	0.63		
Refine the need for the market; helping to ensure that innovation procurement is not done for the sake of innovation, but that the market challenge reflects real needs	0.75		
Provide references on successful prior procurement cases as convincing arguments to get the OK of the hierarchy for a mandate to conduct innovation procurement; and the OK for extra budget if necessary	0.65	Strategy development	0.65
Support/moderate the internal discussion concerning (i) direct benefits (e.g. cost savings, increase efficiency, higher quality of public services; and (ii) indirect benefits (e.g. contribution to societal goals)	0.66		
Support the design of the innovation procurement case by clarifying the strategic dimension within the buyer's organisation (and if necessary, with policy makers) and the internal coordination of the need owning department, the procurement department and the top management	0.62		
Carry out market research (state-of-the-art analysis) and early-stage engagement with potential suppliers that public bodies may be unable (or reluctant) to do as well as other relevant stakeholders such as researchers, intermediaries (clusters, networks etc.)	0.95	Market analysis	0.91
Identify potential solutions (upcoming/ongoing innovations) and shortlist them concerning their relevance for the buyer (i.e. acting as a second opinion and quality control for the public body)	0.95		
Identify the degree of innovation of the solutions and the impact on the buyers own organisation and management	0.82		
Support a buyer's preliminary market consultation by organizing matchmaking events, providing the external/objective facilitation when the buyer is scoping its need with suppliers	1.00	Need-innovation match	0.81
Broaden the possibility of buyers to get access to suppliers which buyers did not know before and initiate supplier-supplier interaction (as a basis of a bidding consortium) in case it is difficult for one supplier to provide an appropriate solution	0.83		

ADDED VALUES	MEAN / VALUE	SE	MEAN / SE
Use and further develop existing buyer-networks or establish a network to share knowledge and save resources in public buyers	0.61		
Provide the buyer with a framework for launching a procurement case and pass on information about existing funding opportunities (possibly find synergies between different funding sources)	0.82	Financing identification	0.81
Bridge the buyer's lack of knowledge concerning funding opportunities which enables the buyer to better exploit existing funding opportunities for innovation procurement,	0.83		
Support to prepare a project proposal and help in partner search (if required), make the paperwork for the buyer by helping to fill in the forms from the proposal-stage up to the final-project-report	0.78		
Search in relevant networks to see whether other buyers may have similar needs or even the same needs	0.65	Procurement upscaling	0.68
Pitch ideas for upscaling by using innovation procurement networks/platforms on regional, national or European levels	0.66		
Clustering procurers with similar needs on regional, national, or European level as a basis for possible joint-procurement or collaboration-procurement between buyers	0.74		
Help the buyer to decide on the appropriate procurement procedure/approach, e.g. competitive procedure with negotiation, competitive dialogue, innovation partnership, pre-commercial procurement (PCP); and support their execution if appropriate (may include to link to legal experts)	0.65	Tender-procedure support	0.69
Support the definition of technical specifications (e.g. definition of performance requirements and/or functional requirements, clarification whether the transfer of IPRs will be required), the definition of the award criteria and their weighting, and the evaluation of the submitted tenders	0.84		
Support the dissemination of the invitation to tender towards suppliers e.g. via newsletters, existing networks (clusters), and relevant EEN-sector-groups	0.60		
Offer references such as a "catalogue of good practices" in the forms of a brochure or an online-database as inspiration for buyers; and serve as a knowledge-hub that a public body can access easily	0.56	Benefit demonstration	0.48
Organize events such as workshops, info days, roadshows by using networks, platforms, partners meetings etc.	0.45		
Organizing on-site demonstrations or the testing of new solutions (prior to a procurement); making use of labs if they exist	0.44		
The brokers expertise results in time savings for the buyer during the procurement process	0.86	General values	0.81
The brokers expertise results in mitigating the risk aversion of the public body by explaining options	0.74		
The brokers expertise results in higher procurement efficiency	0.82		

5. Innovation Procurement Brokerage impacts

As shown in Figure 2, innovation procurement brokerage causes direct and indirect impacts based on direct and indirect costs and benefits (first-order effects). These impacts can produce second-order effects (“ultimate impacts”) once the innovation procurement has been deployed and the innovative solutions and services are used.

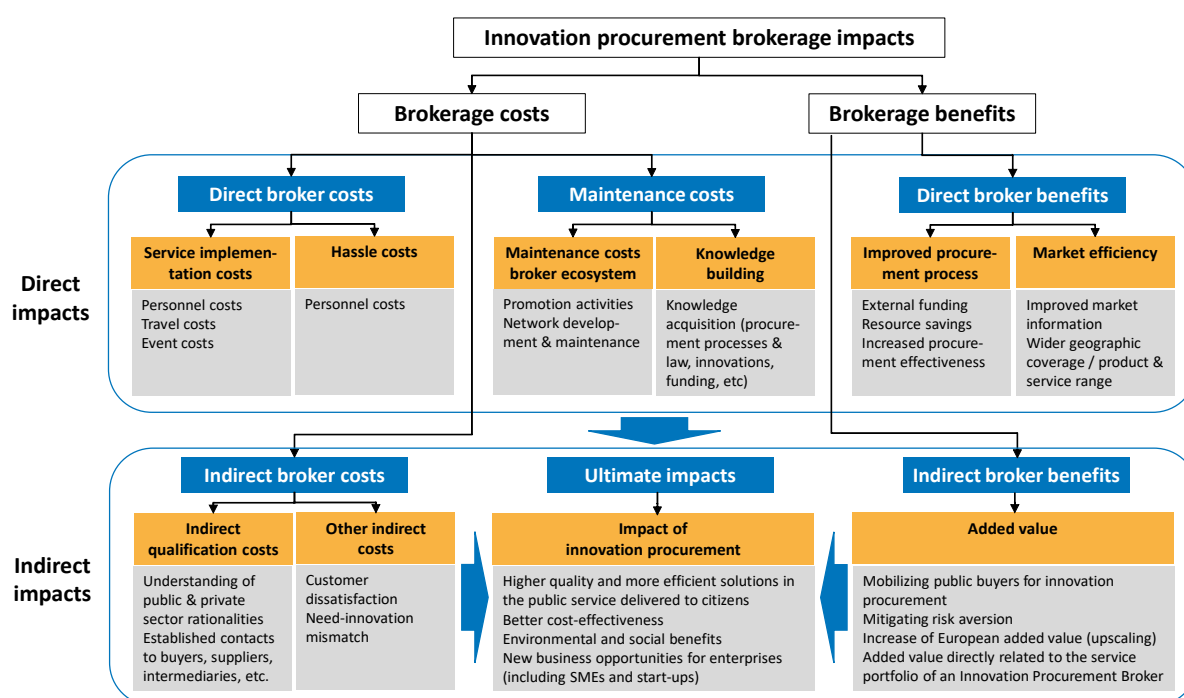


Figure 2: Overview of direct and indirect brokerage costs and benefits (adapted from Renda et al. 2013⁶ and EC 2017⁷)

Direct broker costs include costs incurred directly through the implementation of brokerage services (e.g. personnel and travel costs, material costs for training material and event organisation) and hassle costs. Hassel costs are incurred in the form of time and effort and are associated with waiting time and delays, such as outstanding commitment of the buyer’s management to start an innovation procurement case, difficulties in establishing contacts and delivery of product samples (e.g. during Covid-19 pandemic), and budget reallocations within the buyer’s organisation.

⁶ Renda A., Schrefler L., Luchetta G., Zavatta R. (2013) Assessing the costs and benefits of regulation. A CEPS – Economisti Associati Study for the European Commission, Secretariat General. pp. 1-221.

⁷ European Commission (2017) Better regulation Toolbox. Tool #58: Typology of costs and benefits. https://ec.europa.eu/info/law/law-making-process/planning-and-proposing-law/better-regulation-why-and-how/better-regulation-guidelines-and-toolbox/better-regulation-toolbox_en [Accessed 14 August 2020]

Maintenance costs include costs that are directly incurred by efforts to maintain key assets in an IPB ecosystem, such as knowledge acquisition and maintenance/development of networks of buyers, suppliers and other stakeholders. They include also costs associated with promoting IPB activities and innovation procurement in terms of marketing activities. These costs may vary significantly depending on the geographical scope of an IPB's activities, experience in innovation procurement procedures and existing network contacts.

Indirect broker costs arise from appropriate personal/organisational qualification of the IPB (e.g. personal skills, experience in working with public buyers and the market, extent of the personal network with relevance for innovation procurement, access to buyers and suppliers). Indirect costs also arise if the IPB cannot satisfy the customers' requirements, e.g. by not finding potential suppliers or suitable solutions for a need.

All these costs should be taken into account in the analysis of brokerage costs, as they are not only incurred by an IPB but also by public buyers who carry out innovation procurement without the assistance of a broker. However, methods for measuring the costs incurred by public buyers in activities related to innovation procurement are less developed and data are not publicly available. An estimate of these costs can only be made indirectly through national⁸ or European⁹ funding programmes for innovation procurement. However, this estimation excludes public procurement of innovation that has not received additional public funding and often includes not only costs incurred by consultants, brokers, etc. but also the costs of the product or service actually procured.

Direct broker benefits are reflected in improved preparation and execution of the procurement process (e.g. improved effectiveness and efficiency of procurement in terms of cost savings, availability of information and external funding sources) and by a better exploitation of innovation that the market can offer (extended information of the market through a more in-depth search for innovative products and services for the buyer).

Indirect broker benefits include a number of general added values (mobilising, upscaling) and service-element specific values generated by an IPB (see Table 3). These benefits are also associated with mitigating barriers to do innovation procurement such as reducing the risk aversion and providing support to public buyers as an incentive for not avoiding carrying out innovation procurement. For example, eight of the 11 surveyed buyers in InnoBroker would not have entered into an innovation procurement process without a broker.

⁸ E.g. aws IÖB-Toolbox (Programme document based on the AWS guideline for grants from the National Foundation for Research, Technology and Development): The funding programme aws-IÖB Toolbox enables Austrian public clients to plan and carry out innovation procurement challenges and innovative procurements. The support is available in two modules: (i) "aws IÖB-Toolbox Prepare" supports the consultancy costs for the design and implementation of innovation procurement challenges on the public procurement of innovation platform www.ioeb-innovationsplattform.at. The subsidy for the "Prepare module" is limited to EUR 15,000 of the eligible costs. This module subsidizes incurred costs for the provision of consultancy services by external service providers. (ii) "aws IÖB-Toolbox Transfer" is a support for innovation procurement projects, i.e. for the purchase of innovative products and/or services. Grants can be awarded up to a volume of EUR 100,000. For the "Transfer module", a subsidy of up to a maximum of EUR 100,000 is possible. For details see <https://www.aws.at/aws-ioeb-toolbox/>

⁹ E.g. H2020, ESIF including ERDF, EIB loans

Ultimate impacts overlap with the ultimate benefits of innovation procurement that come from the tangible results produced by the innovation procurement and often arise only after the cooperation between broker and buyer, sometimes many years later (e.g. cost savings due to the mitigation of false alarms by means of a self-responsive emergency call system for elevators, or benefits for the environment due to recyclability and sustainability of work wear). Normally, all innovation procurement is ultimately aimed at achieving at higher quality and more efficient solutions in the public service delivered to citizens, bringing environmental and social benefits, improved and cost-effective services for citizens in the day-to-day operations of the buyer and new business opportunities for enterprises (including SMEs and start-ups).¹⁰

¹⁰ EC (2018) Guidance on innovation procurement. European Commission. Brussels.



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