



#HorizonEU

THE EU RESEARCH & INNOVATION PROGRAMME

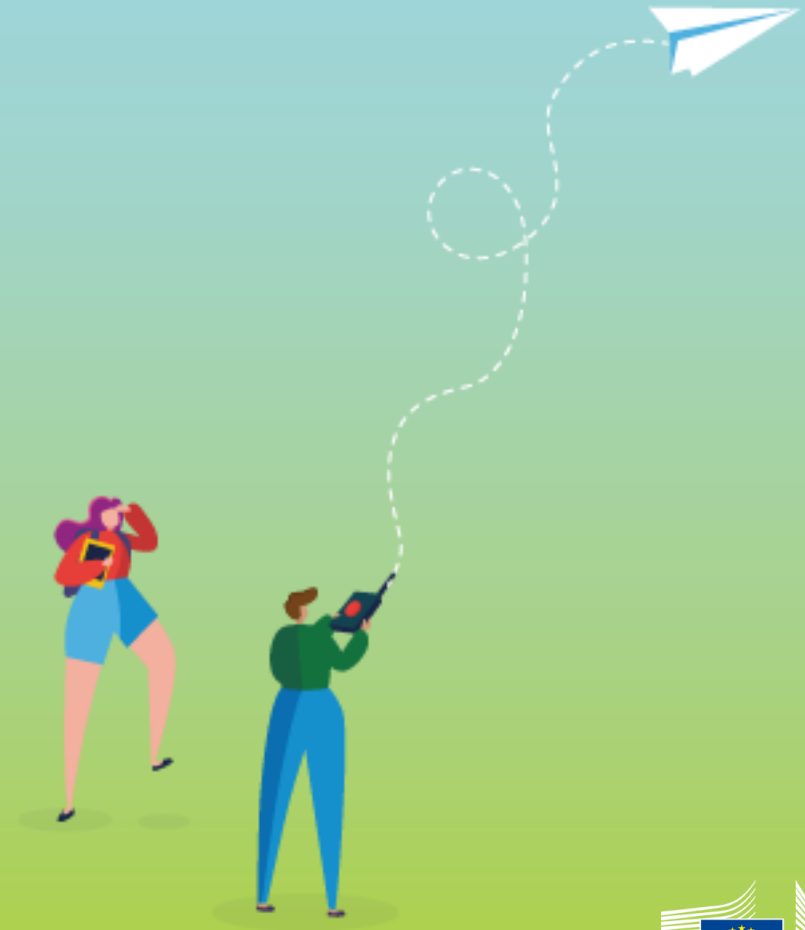
2021 – 2027

HNN3.0 | WORKSHOP "FROM THEORY TO
PRACTICE: NAVIGATING PRE-
COMMERCIAL PROCUREMENT IN HORIZON
EUROPE

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PCP in Horizon Europe: the rules of the game

LIEVE BOS



Disclaimer: information not legally binding

Conditions for participation

ELIGIBILITY

- Min 3 independent legal entities from 3 different Member States or Associated Countries, **min 2 of which are public procurers** from 2 different Member States or Associated Countries. Of these 2 at least 1 is established in a Member State (minimum requirement buyers group)
 - Public procurers are contracting authorities or contracting entities as defined in the EU public procurement directives (see programme guide)



Don't forget the box in the application form that asks you to confirm compliance with this

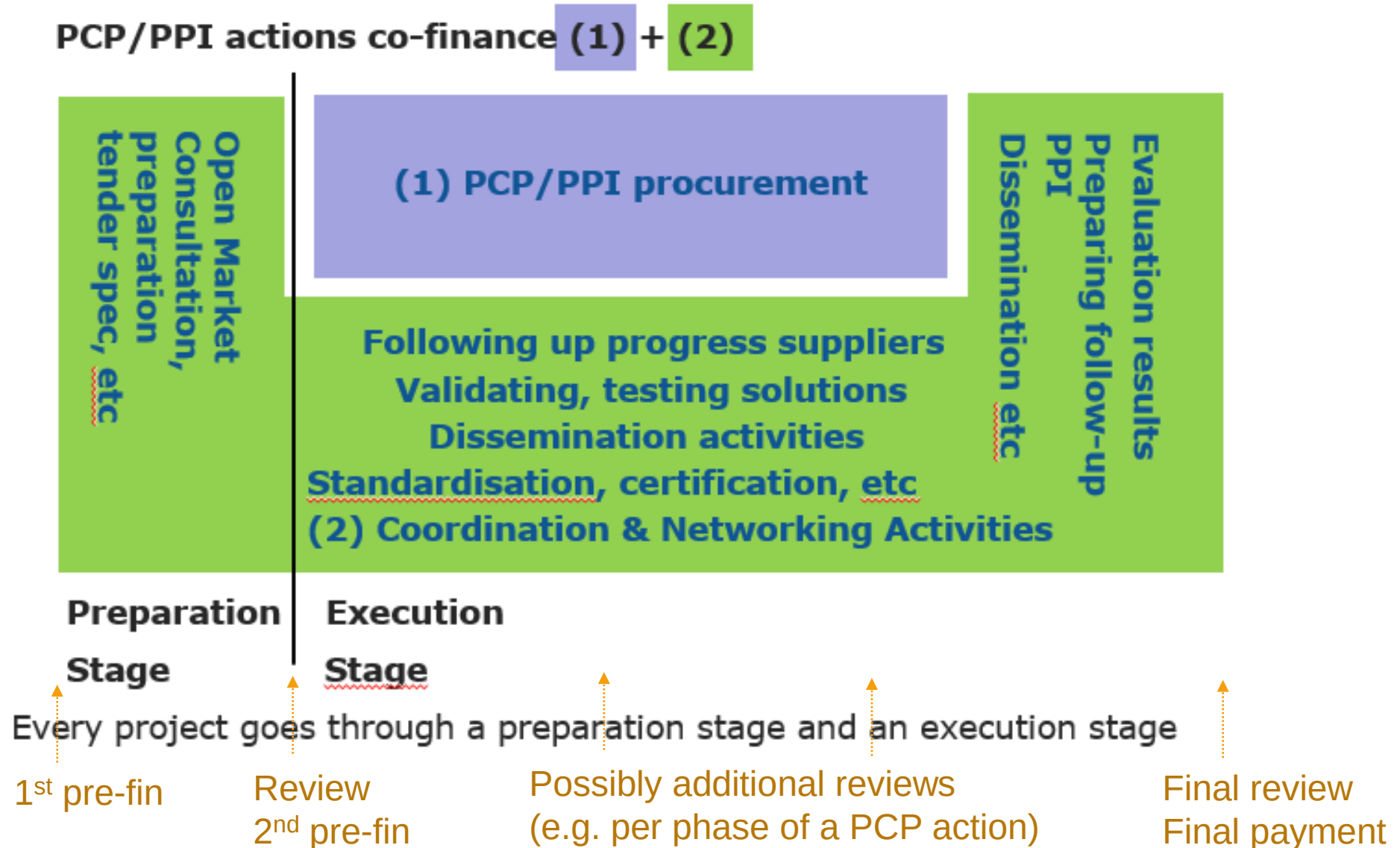
- Buyers group can contain **additional other type procurers** that are providing services of public interest and share the procurement need
 - E.g. NGOs or private procurers
- Other entities may participate in the action, on condition that they are **NOT potential suppliers of solutions** sought for by the PCP and they have no other type of conflict of interest with the PCP
 - E.g. Assisting buyers in preparing the PCP, dissemination activities

Eligible activities

In the proposal, consortium shall already identify a specific challenge in the innovation plans of the procurers that requires innovation + KPIs (targeted quality/efficiency improvements) for the PCP. Eligible activities:

- **Preparation stage**
 - Preparing **1 joint** PCP procurement per action
 - Open market consultation, verifying market readiness to meet the need
 - Outcome: Tender specifications + Joint procurement agreement
 - **Execution stage**
 - Procurement of the R&D services (incl. deployment of tested solutions)
 - Validating performance of solutions for sufficient duration to evaluate impact
 - Assessment & publication of the outcomes of the procurement
 - Confirmation of strategy for dissemination/exploitation of results
- + If relevant to the action, other activities (e.g. preparation of follow-up PPI, testing, contribution to standardisation / regulation / certification, training)

Eligible activities



Deployment options

Deployment requirement in call topic:

Call topic requires to either:

1) [Option 1: Deploy solutions 'during' the PCP project](#)

i.e. Buying minimum 1 solution during the PCP project (all resulting solutions, or only the best phase 3 solution, or...)

Foresee budget in budget table to deploy the solutions + description & action/tasks for deployment in the proposal

Ensure those procurers that will buy solutions have tested the solutions during the PCP procurement

2) [Option 2: Prepare during the PCP project for deployment of solutions 'after' the PCP project](#)

Explain in proposal the intention to deploy (which procurers are planning to deploy how many solutions after project)

Foresee in project proposal a description + specific deliverable / tasks to prepare the follow-up procurement

- Open market consultation (if negotiated procedure without publication is not used for deployment)
- Preparation of tender specs

What to buy?

Procurers define if they want to buy also prototypes (phase 2 results) or only field tested solutions (phase 3 results)

There is no requirement in call topic to buy large commercial volumes of the solutions

Budgets in proposal are estimated budgets. Leftover budgets can be reused for other activities later in project.

Fast-track PCP

This merges phase 2 & 3 (prototype development, lab testing, final solution development, field testing).

It is a possibility (not mandatory) if there is budgetary commitment to buy solutions

Option 1: Deploy solutions 'during' the PCP project

1.1 Buying solutions 'during the PCP procurement'

When you know before PCP starts which procurers plan to buy solutions (include deployment budget in PCP budget)

No need to start another procurement to buy solutions directly from PCP suppliers.

Solutions will be procured as part of the rest of the R&D services:

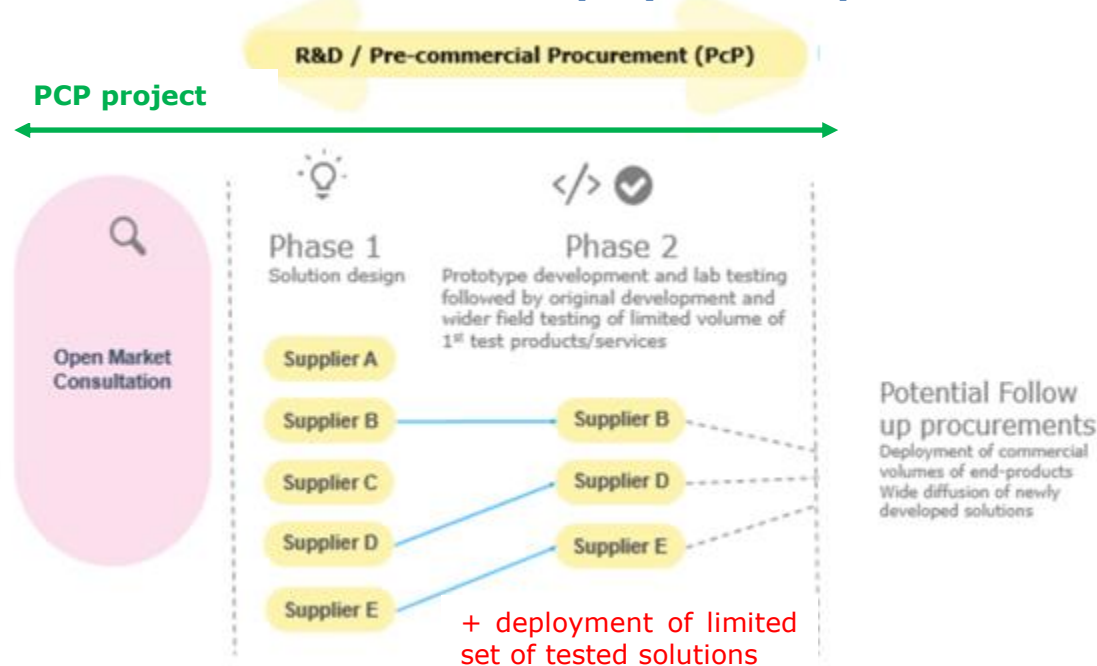
At VAT rate of lead procurer if all suppliers are paid centrally by lead procurer -> include deployment cost under PCP procurement cost of lead procurer

At VAT rate of procurers in buyers' group if suppliers are not centrally paid by lead procurer -> include deployment cost under PCP procurement costs of those procurers that are buying solutions

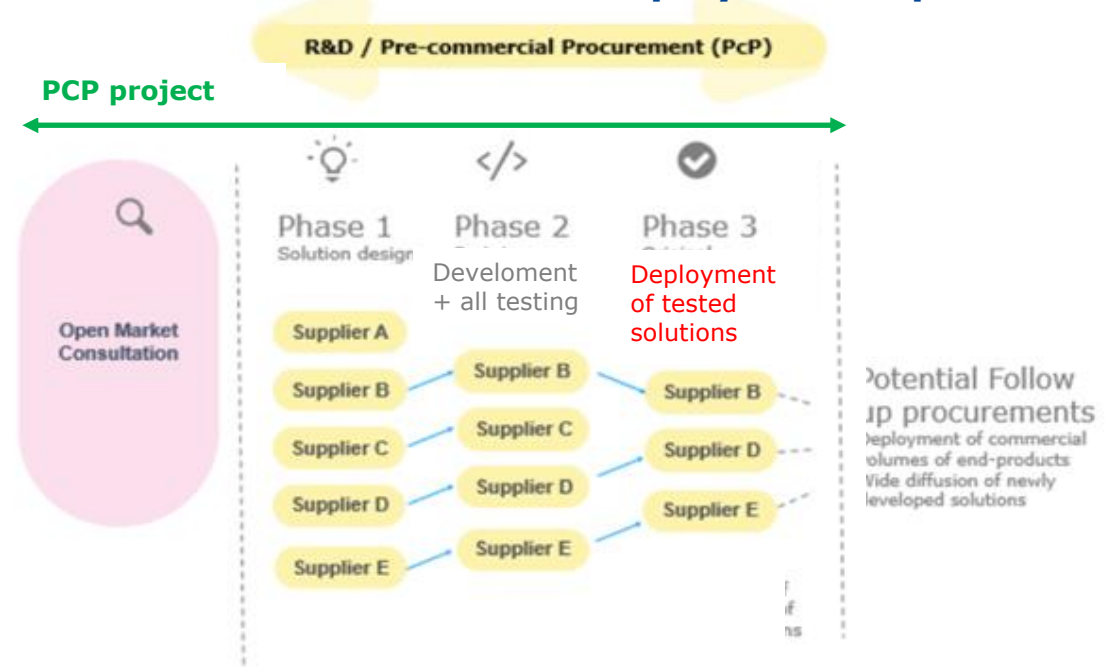
Supplies procured during PCP procurement cannot cost more than 49% of PCP contract price

PCP contract cannot buy services that continue beyond the PCP procurement duration

Fast-Track PCP with deployment in phase 2



Fast-Track PCP with deployment in phase 3



Option 1: Deploy solutions 'during' the PCP project

1.2 Buying solutions 'after PCP procurement' but still during PCP project

When you do not know before PCP starts who/which solutions to deploy or want to maximise PCP budget for R&D

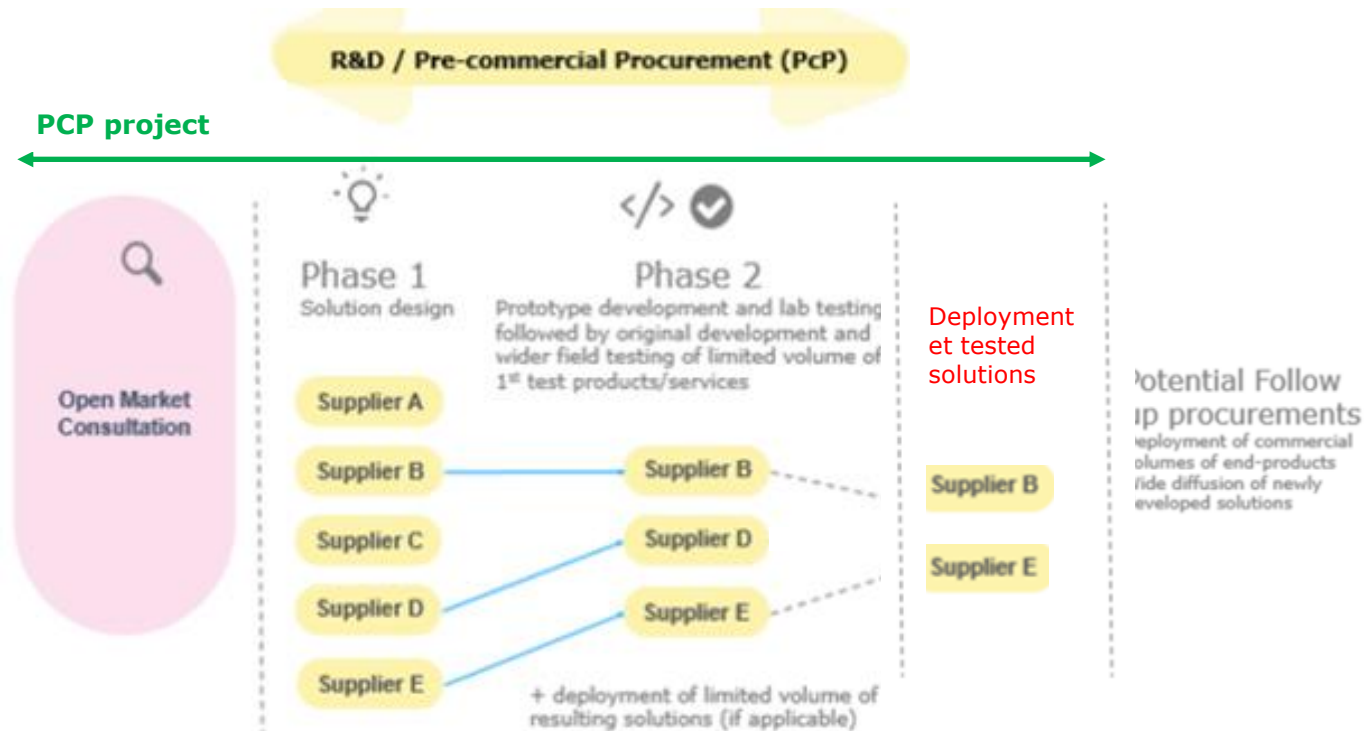
Need to start a new procurement to buy solutions. Country of procurers that deploy solutions will determine VAT rate.

If same PCP procurers buy only those solutions resulting from PCP (no extra copies), negotiated procedure without publication can be used for buying supplies (not for services) directly from PCP suppliers

PCP project cannot reimburse costs that are not incurred during PCP project (No services contracts that go beyond project).

Include purchase cost under subcontracting costs or under purchase costs of the project.

Fast-Track PCP with deployment in coordination activities after PCP



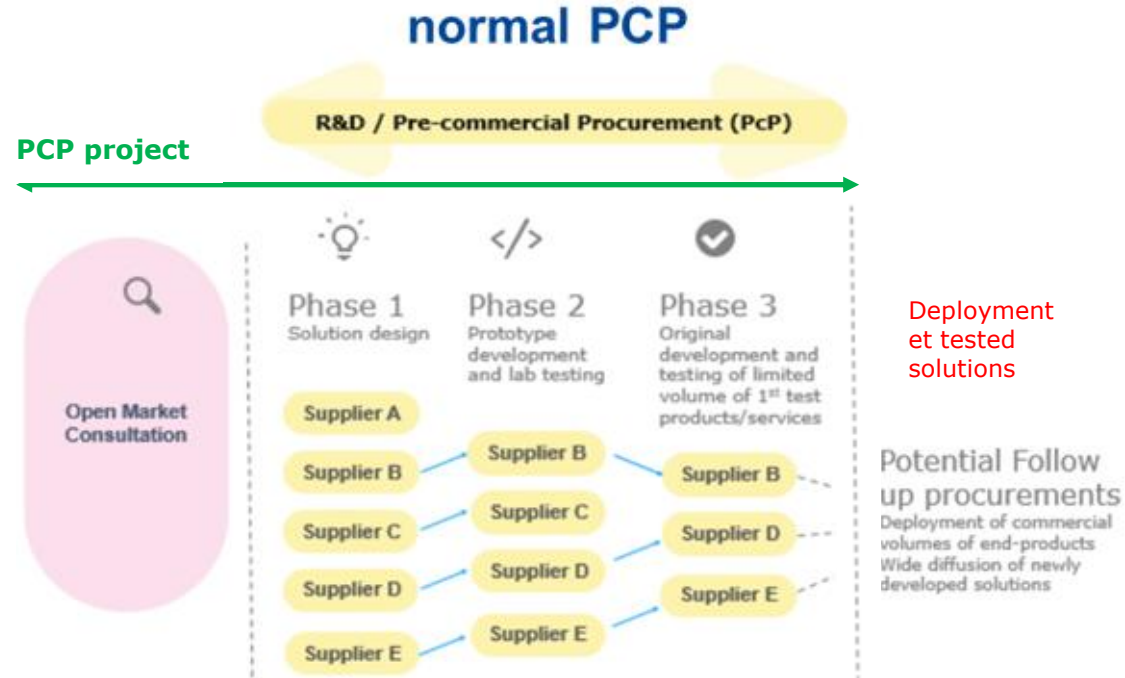
Option 2: Buying solutions 'after' the PCP project

Do not include deployment budget in budget table of the project (it will not be co-financed by project budget)

Need to start a new procurement to buy solutions.

- If same PCP procurers buy limited volume of solutions resulting from PCP, negotiated procedure without publication can be used for buying supplies from PCP suppliers.
- If there are new / additional procurers in buyers' group or if the purpose is to buy commercial volume of supplies or services, then a new open market consultation and an openly published, widely promoted PPI needed.

VAT rate will depend on procurement mode chosen.



***Combination of option 1 and 2 is also possible** (e.g. THALEA procured limited set of solutions during PCP and bought wider deployment of solutions with extended buyers' group during later PPI project)

HORIZON-HLTH-2024-CARE-14-01

Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

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Destination 4:

HORIZON-HLTH-2024-CARE-14-01: Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

Closure: 26 November 2024

- Instrument: PCP
- Total: 15M€
- Project size: 3-5 M€



Destination 4: Ensuring access to innovative, sustainable and high-quality health care

- **Key Strategic Orientation:** ‘Creating a more resilient, inclusive and democratic European society’
- **Expected impacts:**
 - Health and social care services and systems have improved governance mechanisms and are more effective, efficient, accessible, resilient, trusted and sustainable, both fiscally and environmentally.
 - Health care providers save time and resources by integrating and applying innovative technologies, ...
 - Citizens benefit from improved access to health care services, including financial risk protection, timely access to quality essential health care services.
 - Health policy and systems adopt a holistic approach for the evaluation of health outcomes and value of public health interventions, the organisation of health care, and decision-making.

Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

Scope

- The healthcare sector is responsible for 4-5% of global total carbon emissions contributing significantly to Europe's carbon footprint and to the generation of large amounts of plastics and other waste.
- The Declaration on Climate and Health by the UAE COP28 calls for action and joint vision on ensuring better health outcomes, in part through the transformation of health and care systems to become climate-resilient, low-carbon, sustainable, circular and equitable.
- innovative solutions can help to reduce the environmental impact of the healthcare sector through the efficient use of resources, increasing circularity, and the introduction of “greener” materials, technologies and practices

Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

- Pre-commercial procurement (PCP) actions target consortia of procurers with similar needs that want to procure together the development of innovative solutions for greening the health and care systems.
- Proposals should target either:
 - Direct and indirect footprint deriving from the provision and/or delivery of care.
 - Circularity, waste production and treatment.
 - Footprint from the chain of suppliers in making and delivering products, or services.
 - More efficient use of resources, decreasing the overall sector footprint while addressing the constantly increasing demand for healthcare.
- Proposals should envisage sufficient dialogue between supply and demand side through effective involvement of the end users (e.g. clinical teams, patients or hospital structures etc) needed to trial and potentially deploy the proposed solution.

Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

- The transfer and adaptation of solutions and/or interventions from other sectors to health and care systems is within scope.
- Proposals based on one specific solution/technology field, as well as to proposals requiring end-to-end solutions that need combinations of different types of innovation are within scope.

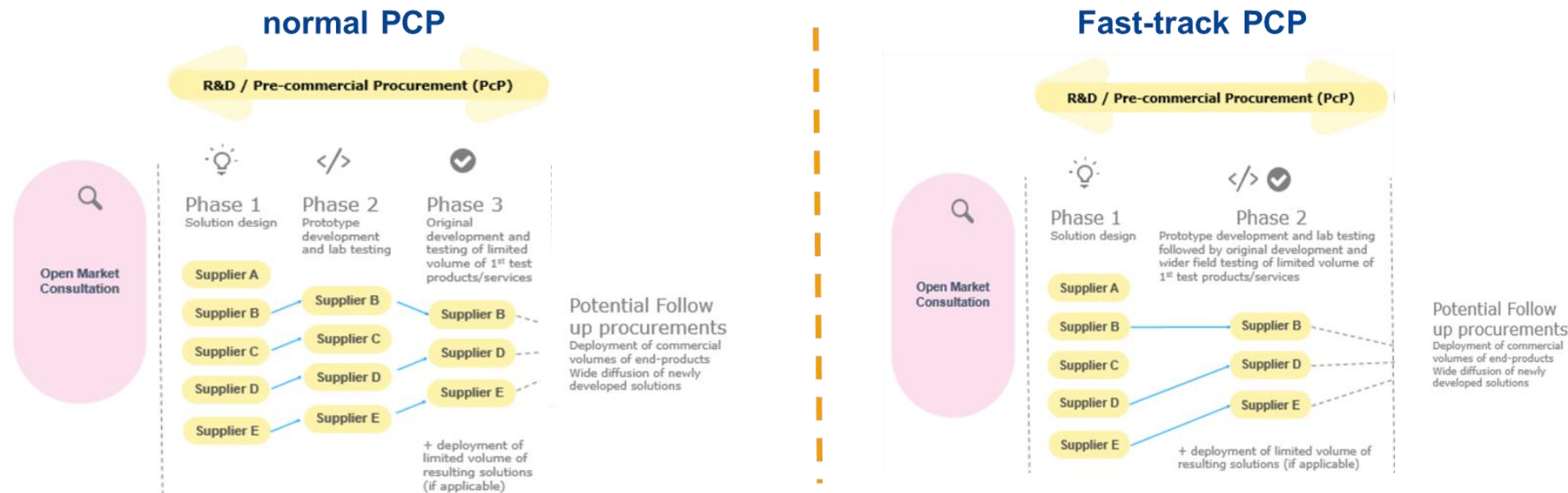
Not in scope:

- Proposals targeting general infrastructure (energy efficiency of buildings such cooling, heating and ventilation, vehicles, construction or refurbishment), energy supply or food and catering services

Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

Procurers should declare their interest to purchase at least 1 successful solution resulting from the PCP and indicate if they will procure:

1. in a separate follow-up procurement after the PCP (normal) ** or
2. procure the solution(s) as part of the PCP (fast-track)



** *Proposals must include a **deliverable** in which procurers prepare the follow-up procurement to buy successful solution(s) after the PCP procurement.*

Pre-commercial procurement for environmentally sustainable, climate neutral and circular health and care systems

Expected outcome

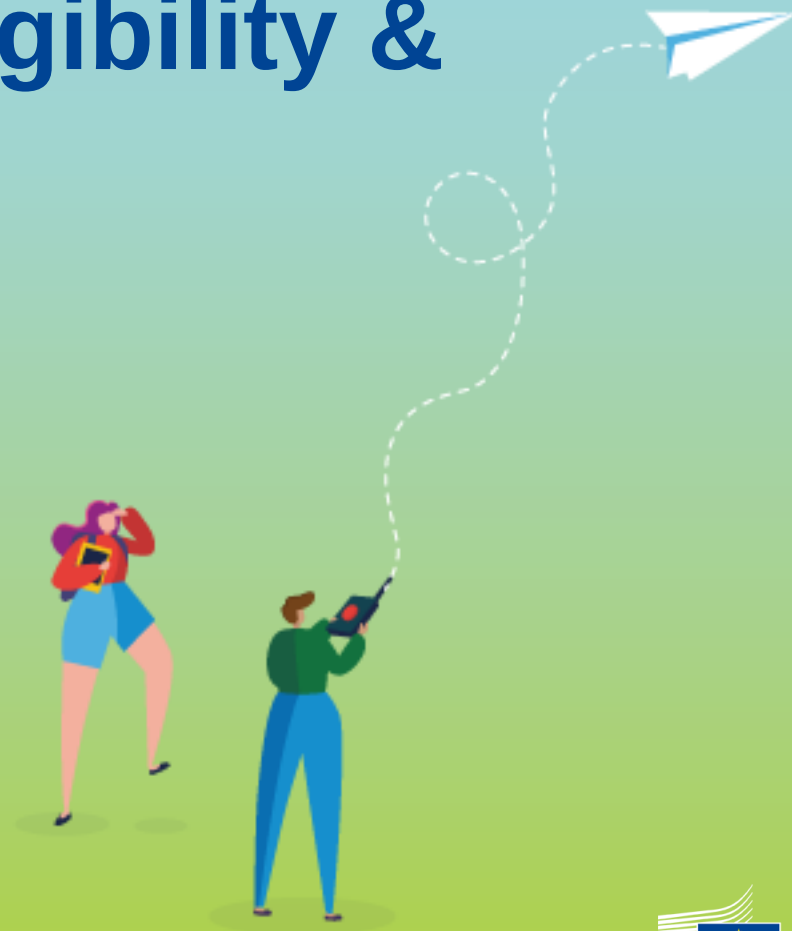
- **Public procurers** in the area of health and care stimulate the competitive development of market-ready, environmentally sustainable innovative solutions...
- **Procurers** open up opportunities ...to bring to the market innovations that are cost-efficient, safe and proven to increase environmental sustainability while improving or at least maintaining health outcomes and access to care for patients.
- **Procurers** facilitate the commercialisation of environmentally sustainable innovative solutions by their successful suppliers through providing them with first customer references for the validation and first pilot deployment.
- **Policymakers, health care providers and professionals, patients and carers** exchange and adopt good practices and the best solutions and technologies that the market can deliver to reduce carbon emissions and minimise waste and pollution stemming from health and care provision, in line with the Green Deal ambitions.

Guidance for proposal drafting

- Proposals need to demonstrate that they understand the instrument, its purpose and how to implement it correctly.
- Strong focus on the clinical needs and not on technologies to be developed by eventual suppliers.
- Clear objectives with good descriptions on how they will be measured and achieved.
- Proposals need to demonstrate an excellent understanding of the market landscape and potential challenges for adoption.
- Include details on how the project will achieve its expected outcomes and impact, particularly on healthcare systems and/or patient care.
- Proposals should present realistic risks and sufficient mitigation strategies.

Funding conditions, eligibility & evaluation criteria

SAMY BETTICHE



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The submission process





Application form (proposal template)



Key documents

[Application form for PCP actions](#)

[Topic description](#)

[Annex H of the general Annexes](#)

Same structure

Proposals are submitted **electronically** via the [Funding & Tenders Portal](#).

Don't wait until the submission deadline, you can save drafts.

The proposal contains two parts:

- **Part A** (web-based forms) is generated by the IT system. It is based on the information entered by the participants through the submission system in the Funding & Tenders Portal.
- **Part B** is the narrative part that includes three sections that each correspond to an evaluation criterion. Part B needs to be uploaded as a PDF document following the templates downloaded by the applicants in the submission system for the specific call or topic. => **45 pages limit**
- **Budget** encoded in both part A and Part B

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The evaluation process





Standard evaluation process

Receipt of proposals

Admissibility/eligibility check
Allocation of proposals to evaluators

Individual evaluation

Experts assess proposals **individually**.
Minimum of three experts per proposal (but often more than three).

Consensus group

All individual experts discuss together to agree on a **common position**, including comments and scores for each proposal.

Panel review

The panel of experts reaches an **agreement** on the scores and comments for all proposals within a call, checking **consistency across the evaluations**.

If necessary, resolves cases where evaluators were unable to agree.

Ranks the proposals with the same score.

Finalisation

The Commission/Agency reviews the results of the experts' evaluation and puts together the **final ranking list**.



Evaluation mechanics

- **1 stage evaluation**
 - More info in [online manual](#) and [general annexes to the work programme](#)
- **Evaluation by independent experts**
- **Proposals ranked according to evaluation scores**
 - For full proposals, each criterion will be scored out of 5. The threshold for individual criteria will be 4 for “Excellence” and “Impact” and 3 for “Implementation”. The overall threshold, applying to the sum of the three individual scores, will be 12.
- **Indicative Timetable**
 - Deadline for proposal submission: **26 November 2024**
 - Information on evaluation results : 5 months after submission deadline
 - Signing grant agreement: 3 months after info on evaluation results



Evaluation criteria (PCP and PPI actions)

EXCELLENCE

- ✓ Clarity and pertinence of the **objectives** and the extent to which they are ambitious, and go beyond the state of the art in terms of the degree of innovation that is needed to satisfy the **procurement need**.
- ✓ Soundness of the proposed **methodology**, taking into account the underlying concepts and assumptions.

IMPACT

- ✓ Credibility of the **pathways** to achieve the expected **outcomes and impacts** specified in the work programme.
- ✓ Suitability and quality of the **measures to maximize expected outcomes and impacts**, as set out in the dissemination and exploitation* plan, including communication activities.

* For PCP actions and PPI actions, the exploitation of results by the beneficiaries means primarily **the use that is made of the innovative solutions by the procurers / end-users**. The manufacturing and sale of the innovative solutions are performed by the suppliers of the solutions, which are not beneficiaries but subcontractors

QUALITY AND EFFICIENCY OF THE IMPLEMENTATION

- ✓ Quality and effectiveness of the **work plan**, assessment of risks, and appropriateness of the effort assigned to work packages, and the resources overall.
- ✓ Capacity and role of each **participant**, and extent to which the **consortium** as a whole brings together the necessary expertise.

Proposals aspects are assessed to the extent that the proposed work is within the scope of the work programme topic

Key principles



Your proposed work must be within the scope of a work programme topic



You need to demonstrate that your idea is ambitious and goes beyond the state of the art



Your project methodology must comply with the specific requirements for PCP/PPIs (General Annex H work programme). It must not significantly harm the environment



You should show how your project could contribute to the outcomes and impacts described in the work programme (the pathway to impact)



You should describe the planned measures to maximise the impact of your project ('plan for the dissemination and exploitation including communication activities')



You should demonstrate the quality of your work plan, resources and participants



You should follow the template



Application form follows evaluation criteria

Part B



- **1. Excellence**

- Objectives and ambition
- Methodology



- **2. Impact**

- Pathways towards impact (check also expected outcomes of the 'topic' calling for PCP/PPI)
- Measures to maximise impact – dissemination, exploitation and communication (D&E&C)
- Summary (procurement need, expected result, D&E&C measures, target groups, outcomes, impacts)



- **3. Quality and efficiency of the implementation**

- Project Plan and resources
- Capacity of participants and consortium as a whole



1. Excellence

- **Objectives and ambition**

- **Procurement need:** What is the common challenge that the buyers want to address?
- **Objectives:** Improve quality/efficiency of public services, address a wider societal challenge, regulatory requirement, need for standardisation, interoperability, certification?
- **Progress beyond state of the art:** How ambitious is the procurement objective compared to what is used by procurers today? How ambitious is the degree of innovation that the supply will need to perform to address the procurement need?

- **Methodology**

- Proposed **project approach and assumptions**

- **Approach implementation phase:** proposed lead procurer & buyers group, scope of the procurement, expected output, duration, budget, approach for evaluation offers (external experts or not, draft evaluation criteria), monitoring progress suppliers
 - PCP: nr of phases, suppliers/phase, procuring tested products included or not
- **Approach preparation phase:** market consultation, development specs & eval criteria
- **Additional activities throughout the project** (e.g. testing, labelling of solutions etc.)
- **Link with other national / international initiatives or projects**



2. Impact

- **Project's pathways towards impact**
 - **How will your project contribute to achieving:**
 - 1) Expected outcomes specified in WP under the 'topic' calling for PCP action
 - 2) Wider impacts specified under the 'destination' in WP
 - **Requirements and potential barriers** from factors outside the project
 - **Scale and significance** of the project contribution to expected outcomes and impacts
- **Measures to maximise impact**
 - **Plan for dissemination, exploitation and communication**
 - Measures to ensure wide industry interest (open market consultation, call for tender)
 - Communication about results achieved by the PCP
 - Plans of buyers group to deploy and encourage other procurers to deploy solutions
 - Measures to help PCP suppliers grow their business
 - Activities fostering wider commercialisation (e.g. standardisation, certification)
 - **Strategy for management of IPR**
 - Project specificities: e.g. other procurers piggy-backing on the procurement?
 - Ensure that your IPR approach complies with the IPR allocation requirements in general annex H of HE work programme (IPR ownership remaining with suppliers)





3. Implementation

- **Work plan and resources**

- **Work plan:** tables 3.1.a to 3.1.e (templates)
- **Work Packages** (foresee separate work packages for)
 - Preparation of the procurement
 - Execution and follow-up of the procurement

- **Deliverables / milestones** (foresee mandatory deliverables / milestones)



- Start preparation phase: publication PIN for open market consultation in TED
- End preparation stage: call for tender docs (including contract notice and request for tenders), report on outcome preparation phase, joint procurement agreement
- Start execution phase: publication contract notice in TED
- End of tender evaluation /evaluation per phase: info on bids received + on the result of the evaluation + publication contract award notice in TED
- End of action (and at the end of each phase for PCPs): assessment and validation by the procurer of the results achieved by the suppliers + demonstration of solutions to Granting Authority (and reviewers)



Foresee sufficient time to prepare/review the tender docs + to promote the OMC/call for tender + for publication timing requirements (see application form and general Annex H to the WP) + to validate and disseminate the results after the PCP

- **Critical project risks and mitigation measures**

- **Resources:** tables 3.1.f to 3.1.k
 - How will consortium mobilise resources for project (incl. own financial contribution)
 - Dependencies in mobilising resources (e.g. additional funding from national or other Community programs such as ESIF)
 - Resources (financial or in kind) from third parties associated to beneficiaries



Don't forget to complete the Tables related to resources

- Total committed budget for the PCP procurement (Estimated contribution per member of the buyers group to the PCP procurement cost) -> Table 3.1.f
- Estimated costs for additional activities (NOT the PCP procurement cost)
 - Direct personnel costs (Table 3.1.g)
 - Direct costs of subcontracting (Table 3.1.h)
 - Purchase costs (Table 3.1.i)
 - Other direct costs (Table 3.1.j)
 - In-kind contributions (Table 3.1.k)

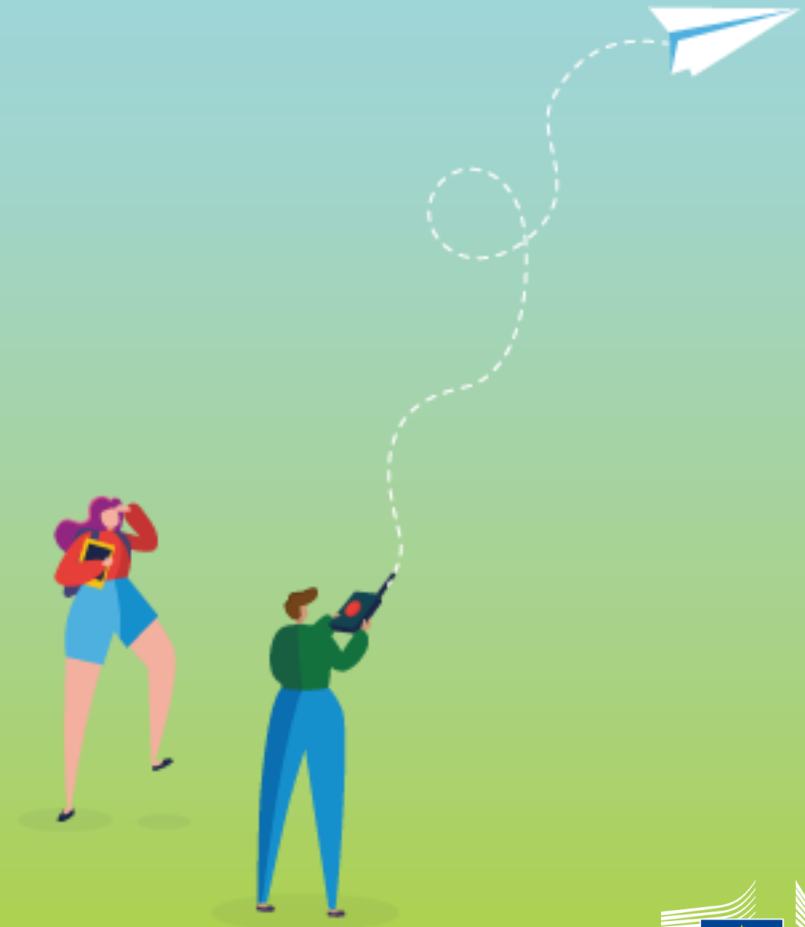
- **Capacity of participants and consortium as a whole**



- Consortium: Complementarity and role beneficiaries (+affiliated entities)
- Note: there can be no potential suppliers of solutions in the consortium
- Involvement other countries and international organisations: if any (see Annex A work program), explain why their participation is essential

How to fill in the budget table?

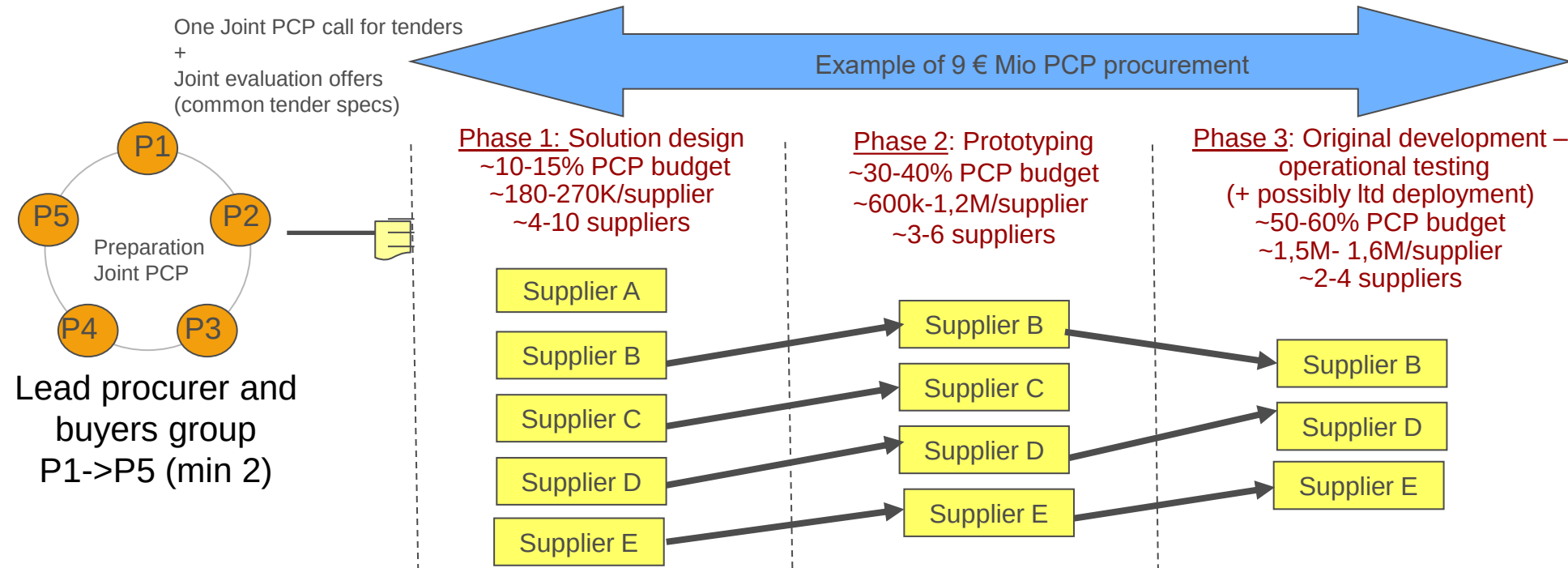
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Example possible budget distribution across PCP

- Example: 10 €M PCP action**

- EU contribution: e.g. 9 €M for PCP (procurement of min 9 €M) + 1 €M for other additional activities



How to fill in budget table & table 3.1.f

Suppose 3 procurers in buyers group, each contributing equally to PCP procurement budget

- **Scenario (1): all 3 procurers ask funding from HE for the PCP subcontracting cost**

- Option (I) the lead procurer pays all suppliers
- Option (II) the 3 procurers pay all suppliers pro rata according to their financial contribution to the total budget for the PCP procurement

-> Note that the difference in choice between Option (I) and (II) is only visible in the budget table, not in table 3.1.f Total Committed Budget for the PCP procurement

- **Scenario (2): Procurer 1 and 2 ask funding from HE whereas procurer 3 asks funding from ESIF for their own contribution to the total budget for the PCP procurement**

- Only Option (II) is possible to have clearly separate costs/invoices for H2020 and ESIF: all 3 procurers pay all suppliers pro rata according to their financial contribution to the total budget for the PCP proc.

-> Procurer 3 checks with its ESIF managing authority before submitting the proposal if the ESIF planning of the region fits the timeline of the PCP project and if the managing authority agrees to make ESIF funding available for procurer 3 to participate in the project in case the proposal gets selected for funding by Horizon Europe

Budget table
PCP/PPI actions

Scenario (1)

All procurers ask funding from HE for PCP proc cost

Additional activities

Option (I): NL lead procurer pays all suppliers

Option (II): Each of the 3 procurers pays each supplier pro rata

PCP actions

Scenario (1)
 All procurers ask funding from HE for PCP proc cost
 Additional activities

D.5 PCP Procurement costs											actions		
Estimated expenditure											Requested EU contribution		
Estimated eligible costs											EU contribution to eligible costs		
No	Participant name	Country	A. Personnel costs/€ (a1)	B. Subcontracting costs/€ (b)	C. Purchase costs			D. Other cost categories D.X [specific cost category] /€ (dx) (I) (II)	E. Indirect costs/€ (e) = 25% * [(a1) + (c1) + (c2) + (c3) + (d7)]	Total eligible costs (h) = (a1) + (b) + (c1) + (c2) + (c3) + (d) + (e) (I) (II)	Funding rate (U) 100%	Maximum EU contribution to eligible costs (l) = (U) * (h) (I) (II)	Requested EU contribution to eligible costs/€ (Requested grant amount) (m) (n)
			C.1 Travel and subsistence/€ (c1)	C.2 Equipment/€ (c2)	C.3 Other goods, works and services /€ (c3)								
1	Procurer 1	NL	0,3M					9M 3M	0,075	9,375 3,375		9,375 3,375	
2	Procurer 2	NO	0,1M					0M 3M	0,025	0,125 3,125		0,125 3,125	
	Affiliated Entity	NO	0,3M						0,075	0,375		0,375	
3	Procurer 3	DE	0,1M					0M 3M	0,025	0,125 3,125		0,125 3,125	
	Associated Partner	AR											
Total			0,8M					9M	0,2M	10M		10M	

Table 3.1.f: Total committed budget for the PCP procurement

Scenario (1): All 3 procurers ask funding for PCP procurement cost from Horizon Europe
None of them from other EU programs such as ESIF

Participant Number / Short Name	Country	(a) EU contribution from Horizon Europe program to the PCP procurement costs [€] (min d * funding rate for PCP action) (I) (II)	(b) Additional contribution from participant's own resources to the PCP procurement costs [€] (max d * funding rate for PCP action)	(c) Additional EU contribution from other EU programs to the PCP procurement costs [€] (optional)	(d) Minimum total committed budget for the PCP procurement = Maximum amount of PCP procurement costs that can be eligible for funding by Horizon [€] (a + b)	(e) Maximum total committed budget for the PCP procurement [€] (a + b + c)
Procurer 1	NL	3M	0M	0M	3M	3M
Procurer 1	NO	3M	0M	0M	3M	3M
Procurer 3	DE	3M	0M	0M	3M	3M
Total		9M	0M	0M	9M	9M

Option (I): NL lead procurer pays all suppliers

Option (II): Each of the 3 procurers pays each supplier pro rata

It is possible to add additional budget here from own resources



Thank you!

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