PRAGUE
DISTRICT 9

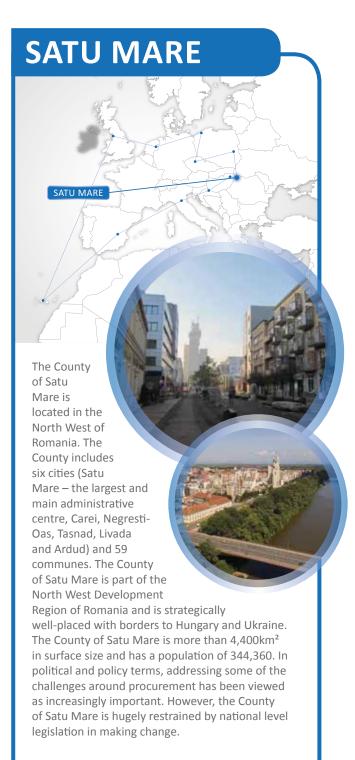District 9 is one of 10 municipal districts which form part of the centre of Prague, the capital of the Czech Republic. The Functional Urban Area (FUA) spans much further and is called Prague Capital City and consists of 57 municipal districts. The FUA has a total area of 496km². District 9 is a largely industrial area and has a population of 55,569. In political and policy terms, maximising the impact procurement brings to the District 9 economy has not really been considered as important until this project, as both officers and politicians did not view procurement as a tool for innovation. They do however see it as important in relation to wider priorities around the redevelopment of brownfield land, growing local businesses, and in ensuring District 9's budget is spent efficiently and effectively.

The overarching objectives of the Prague District 9 IAP link largely to the core objectives of the Procure Network around: *providing a deeper understanding of what can and cannot be achieved; changing procurement cultures; and maximising the benefit procurement brings to cities.* Through the Procure Network, Prague District 9 has been able to embed environmental considerations and criteria into some of their tender processes.

SATU MARE

The County of Satu Mare is located in the North West of Romania. The County includes six cities (Satu Mare – the largest and main administrative centre, Carei, Negresti-Oas, Tasnad, Livada and Ardud) and 59 communes. The County of Satu Mare is part of the North West Development Region of Romania and is strategically well-placed with borders to Hungary and Ukraine. The County of Satu Mare is more than 4,400km² in surface size and has a population of 344,360. In political and policy terms, addressing some of the challenges around procurement has been viewed as increasingly important. However, the County of Satu Mare is hugely restrained by national level legislation in making change.

The overarching objective of the IAP for Satu Mare is *'to enable an innovative public procurement system for Satu Mare'*. Through the Procure Network, Satu Mare has been able to think differently about the culture of procurement and move away from a sole emphasis upon cost.

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5. POLICY AND RECOMMENDATIONS

The Procure Network has changed the way in which 11 cities think about procurement. As a result of the project we have seen individuals change, we have seen municipalities change, and we have seen impacts upon economic, social and environmental challenges. In this section of the publication, we provide our key concluding thoughts, together with recommendations for other cities and wider policy making at a European level.

Concluding thoughts

We can conclude the activities and learning of the Procure Network by revisiting the extent to which our three core objectives have been met:

The Procure Network has enabled continuous professional development.

All 11 cities and their representatives strongly agreed or agreed that involvement in the Procure Network has helped in their professional development. In particular, the network has:

✓ Enabled participants to develop their knowledge of procurement policy and think more progressively about the process;

✓ Enabled participants to develop their skills around public speaking and engagement;

✓ Enabled cities to use the Procure Network as a catalyst for wider work and engagement in other European Programmes;

✓ Enabled cities to develop their capacity to undertake work around the theme of procurement and to link it to wider local economic development.

The Procure Network has enabled cities to change their approach to procurement at the local level.

All 11 cities and their representatives strongly agreed or agreed that involvement in the Procure Network has helped to change their approach and culture around procurement at the local level, with the transnational meetings particularly helpful in enabling this to happen. In particular, the network has:

✓ Enabled participants to translate transnational learning into real practice at the city level;

✓ Enabled participants to learn from other cities in the network, and additionally from a range of case studies;

✓ Enabled cities to embed new practice into the process of procurement, most notably around social and environmental criteria.

The Procure Network has enabled cities to link procurement more effectively to the challenges their cities face.

9 of our 11 cities and their representatives strongly agreed or agreed that involvement in the Procure Network and the development of their IAPs has helped to maximise the benefit procurement brings in economic, social and environmental terms and thus address challenges. In particular, the network has:

✓ Enabled cities to more confidently engage with SMEs and develop their capacity to bid for and win procurement contracts;

✓ Enabled cities to recognise the important role that public procurement plays in wider economic and corporate strategy;

✓ Enabled cities to think differently about the process of procurement and embed considerations around local economic, social and environmental benefit into the process.

Recommendations

The cities involved in the Procure Network number just 11. We have been 'trailblazers' of a new approach to procurement across Europe. There is however scope to embed the principles of the Procure Network into the behaviour of other cities; so that it is widely understood what can be done through the process, so that cultures change across Europe; and so that benefit is maximised in economic, social, and environmental terms. Rather than providing a raft of recommendations; we instead provide a checklist of considerations for cities to work through to progress their processes and practices around procurement:

1 Understand the European Procurement Directives, their translation to National Level Law and what can be achieved;

2 Understand where existing procurement spend goes geographically, sectorally, and in business type terms through spend analysis;

3 Develop procurement strategies which are about legislation, compliance, cost efficiency AND addressing local economic, social and environmental challenges;

4 Link the process of procurement to wider city priorities and develop Procurement Outcomes Frameworks which highlight the challenges procurement could contribute towards addressing;

5 Think of procurement as a cycle of activity and embed considerations of social and environmental impact at an early stage. This means when designing goods and services (commissioning) identify the social and environmental outcomes that could be delivered;

6 Understand the market and potential supply chain, particularly in terms of local organisations and SMEs and develop capacity and skills;

7 Innovate in procurement so that the market helps to define goods and service contracts and therefore deliver outcomes;

8 Ask questions in tender documentation about how potential suppliers are going to deliver wider social and environmental considerations;

9 Evaluate tender responses on not only cost and quality, but also response to social and environmental questions; and weight decisions accordingly;

10 Ensure social and environmental commitments are detailed as conditions in contracts;

11 Monitor the delivery of social and environmental outcomes and the change the above activities have through both contract monitoring and further spend analysis.

It could be argued that the learning and practice derived through the Procure Network is fundamental to shifts in policy contemporarily and in the future at the EU level.

EU2020

The Procure Network and its learning links intrinsically to the priorities of the overarching EU2020 strategy. It links to the priority of 'Smart Growth' because it has supported cities to think differently and innovatively about the process of procurement. It links to the priority of 'Sustainable Growth' because of the key emphasis upon encouraging local businesses and SMEs to bid for contract opportunities, which in turn create employment and skills development opportunities. And it links to the priority of 'Inclusive Growth', because procurement has been utilised to support some of the most marginalised people in Europe and new forms of cooperative enterprise are being developed.

EU Urban Agenda

The activities of the Procure Network and its learning are also informing the 12 EU Urban Agenda Partnerships. The Lead Partner, Preston and the Lead Expert (representing URBACT) are both involved in the Urban Agenda Partnership on Innovative and Responsible Public Procurement. The Partnership is looking to reframe the way in which procurement is thought about at European level and as such its activities link to the focus of the Procure Network. There is an emphasis amongst other things on: Procurement Strategy, spend analysis, innovation of procurement, and monitoring impact.

Public Procurement Package

The European Commission published its new Public Procurement Package on 3rd October 2017. It is interesting to note that the activities and learning derived through the Procure Network link into the six priorities, taking our work to a much wider level than the 11 cities engaged.

- Greater uptake of innovative, green and social criteria in awarding public contracts;
- Professionalisation of public buyers;
- Improving access by SMEs to procurement markets in the EU and by EU companies in third countries;
- Increasing transparency, integrity and quality of procurement data;
- Digitisation of procurement processes; and
- More cooperation among public buyers across the EU

Useful Links

Procure Partners Journey in Posters:
http://urbact.eu/sites/default/files/media/procure_partners_journey.pdf

Procure Partners Integrated Action Plan Summaries:
http://urbact.eu/sites/default/files/media/procure_partners_iap_summary.pdf

Procure Explainer Video:
https://www.youtube.com/watch?v=UzsoKf2qdxU

Urban Agenda for the EU, Public Procurement Partnership:
https://ec.europa.eu/futurium/en/public-procurement

European Commission webpage on Public Procurement:
https://ec.europa.eu/growth/single-market/public-procurement_en

European Commission Public Procurement Package:
http://ec.europa.eu/growth/content/increasing-impact-public-investment-through-efficient-and-professional-procurement-0_en

ICLEI webpages:
http://iclei-europe.org/topics/procurement-economy/

Centre for Local Economic Strategies (CLES):

During the activities of the Procure Network, Matthew Baqueriza-Jackson was the Deputy Chief Executive of the Centre for Local Economic Strategies (CLES). CLES has undertaken an array of work over the course of the last thirteen years on progressive procurement.

More information can be found here:
http://cles.org.uk/local-wealth-building/

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Discover more at:
www.urbact.eu/procure