

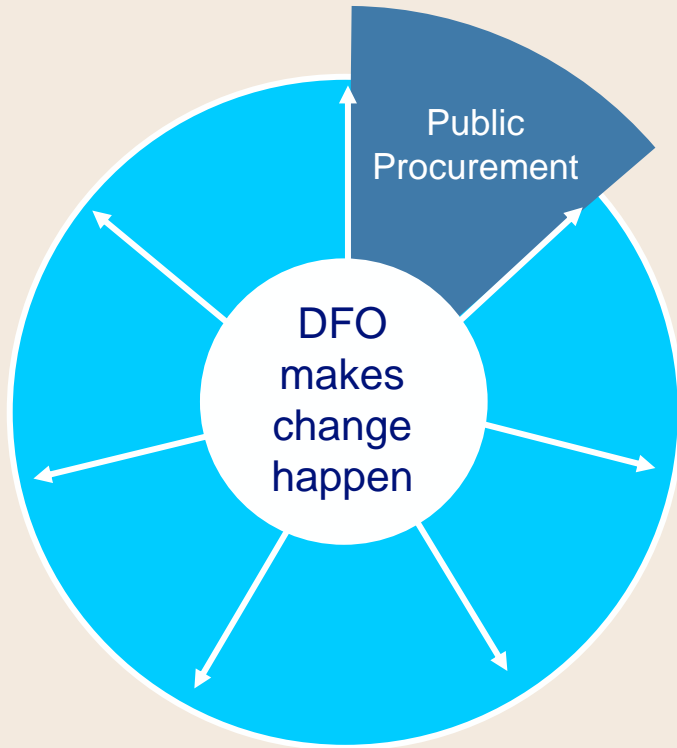
NORWEGIAN STRATEGIC APPROACH TO PUBLIC PROCUREMENT

Dag Strømsnes

Director, Procurement division

The Norwegian Agency for Public and Financial Management

Public Procurement



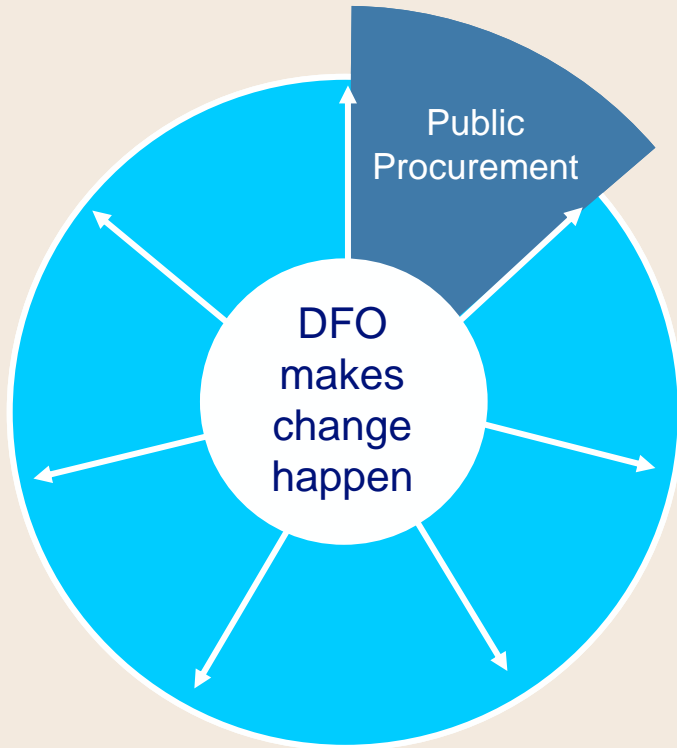
Annually, public procurement amounts to approximately

NOK 640 billion

Central government administration spending:

- 54 %** Buildings, infrastructure and property
- 18 %** Professional services (excl. ICT)
- 9 %** ICT (equipment, licenses and services)

Public Procurement



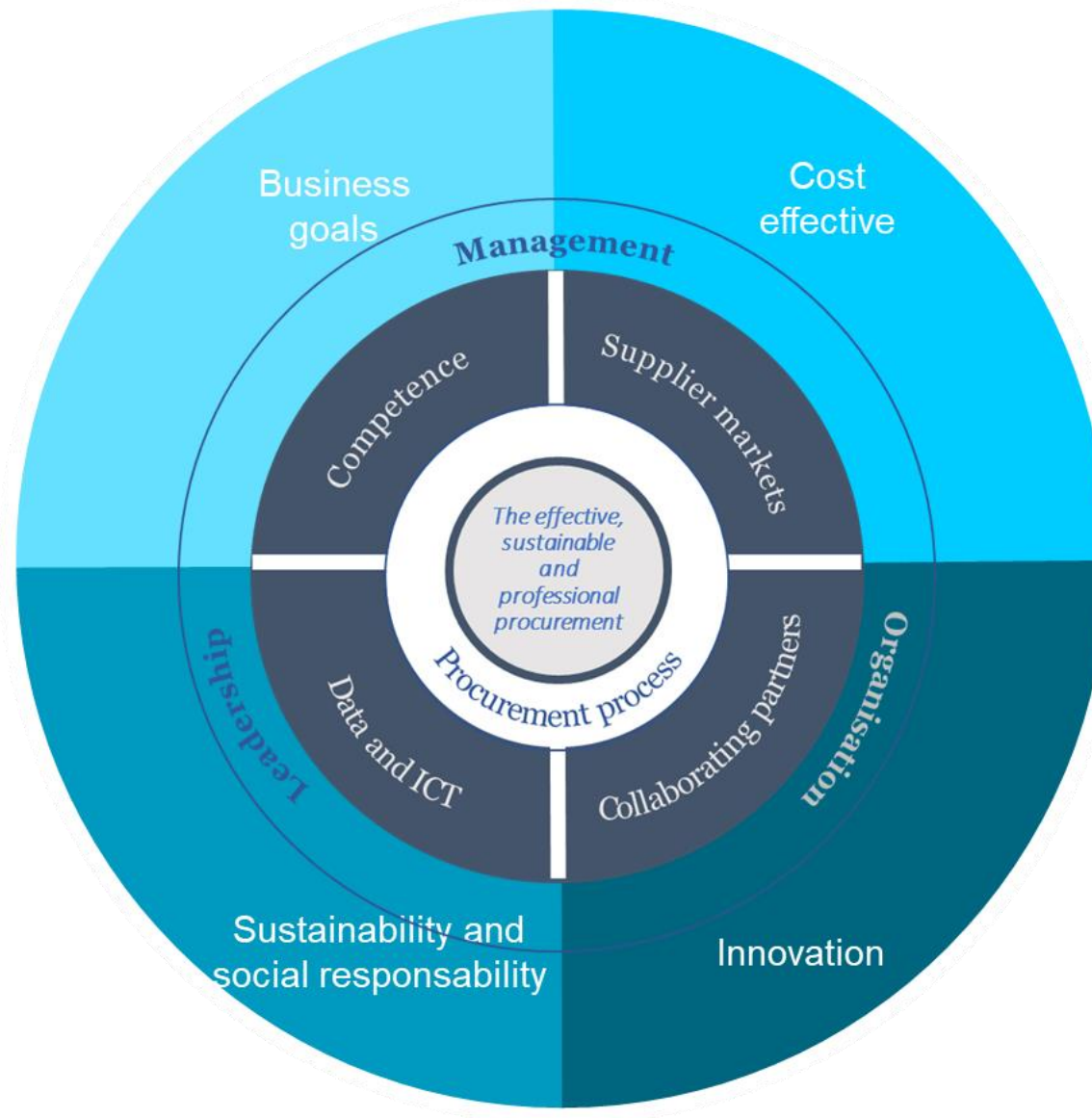
What we do

- ▶ Build expertise and improve the management of procurement
- ▶ Promote digital solutions
- ▶ Strengthen innovation
- ▶ Advise on corporate social responsibility
- ▶ Manage the Government Procurement Centre

What we offer

- ▶ Guidance on procurement and digital solutions
- ▶ Common national agreements
- ▶ Norwegian Government's Standard Terms and Conditions for IT Procurement
- ▶ Courses and training

Strategic procurement and the balance of elements



Why innovative public procurement?

- Potential to get more out of the 640 billion spent on acquisitions
 - Better demand coverage
 - Growth and development in the private sector
- What is innovative procurement all about?
 - Map and understand your own needs
 - How to use the market optimally

Procurement practises

- Too few public sector bodies try out innovative acquisitions
- Focus on the solution, not the need
- Limited capacity and competence
- The competitive potential is not taken out
- The market and suppliers are not used strategically

Barriers

- Strategic leadership anchoring
- Lack of interdisciplinary collaboration
- Risk aversion – zero error culture
- Better competence in the entire process
 - How to identify needs
 - How to work with market dialogue
 - How to formulate functional requirements
 - How to evaluate functional requirements
 - Contract and contract follow-up

Will we reach our commitments in the Paris Agreement and the Sustainable Development Goals within 2030?



The possibilities of more sustainable Public Procurement

600 Billion NOK



16 %
of Norway's
CO2
emissions



Our role

- DFØ's main goal is to work towards «**efficient and sustainable procurement in the public sector**».
- DFØ works to **increase the share** of green and innovative public procurement.
- DFØ shall be the **driving force and competence center** for national and international cooperation on green and innovative procurement.



Political Guidelines

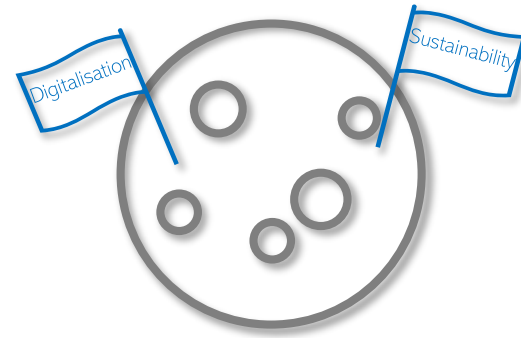
- Meld. st. 22 (2018-19) (White paper) Smarter procurements – efficient and professional public procurements
- Meld. st. 13 (2020- 2021) (White paper) Climate Plan for 2021-2030,
- National Strategy for a Green, Circular Economy 2021
- Action Plan to increase the proportion of green public procurements and green innovation, 2021
- The Hurdal Platform

Handlingsplan for økt andel klima- og miljøvennlige offentlige anskaffelser og grønn innovasjon

9. september 2021



DFØ – Our Role in Innovation Procurement



Inform
Create awareness on the opportunities of innovation procurement

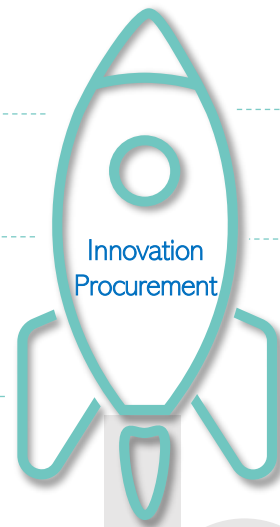
Facilitate
Be an active facilitator and offer arenas for innovation procurement: StartOff

Encourage
Recommend innovation procurement for transitioning to a green & digital public sector

Support
Contribute as a project adviser and expert in preparing and executing innovation procurements

Explain
Build knowledge and skills on laws, contracts and methods for innovation procurement

Equip
Developing procurement documents and contract templates used in innovation procurements



Barriers for startups

in traditional procurement practices



**TIME
AND COST**



**DETAILED
SPECIFICATIONS**



**DOCUMENTATION
REQUIREMENTS**



**LACK OF
DIALOUGE**

= The public sector miss out on: startups expertise
+ the innovation potential that lies within new technology!

Beneficial collaboration

STARTUPS + PUBLIC SECTOR

- Quick and easy procurement
- Dialogue and support
- Focus on need vs. desired solution
- Development together with the Public actor
- Less bureaucracy
- Payment along the way
- Insight into the Public Sector as a market
- Support in commercialization

- Access to new technology and innovation
- Experience how to work agile and fast
- Building a culture of innovation
- Minimizing risk through a structured process
- Minimizing the use of resources throughout the project
- Assistance to procure the solution or plan further development



Direktoratet
for forvaltning og
økonomistyring