Colombia*

* OECD Survey Part I submitted by Maria Margarita Zuleta Gonzalez, Director, Colombia Compra Eficiente.

**Strategic framework, action plan and scope for procurement for innovation policy**

The National Development Plan (2014-18) specifies procurement innovation as a cross-cutting strategy targeted to generate a higher economic and social value to enhance the conditions for the development of business activities. Procurement innovation is also conceived to provide the demand of good and services for specific needs in a more efficient way through innovation. This part of the governance strategy will be complemented with accompaniment services for the SMEs in the implementation of the necessary processes and investments to achieve higher quality standards.

The procurement for innovation action plan is part of the country’s general innovation or procurement strategy. The National Development Plan (2014-18) institutes procurement for innovation as a cross-cutting public policy to increase value for money through procurement of innovative goods and services, and to promote innovation in the Colombian market with a demand-driven approach.

Colombian regulation refers to procurement of science, technology and innovation with no particular emphasis in innovation. Such regulation allows government agencies to contract without competition when the purpose of the contract involves scientific investigation and development projects with innovative solutions.

**Implementation**

Specific actions: There are three pilots:

- Ministry of ICT (MinTIC): the acquisition of services for the development of a practice lab on IT management and information security.
- National Agency for Overcoming Extreme Poverty (ANSPE): the development and acquisition of an IT-based tool used to strengthen soft skills - among citizens in extreme poverty conditions - that have an impact on income generation initiatives targeted to the same public.
- Empresas Públicas de Medellin (EPM): for the acquisition of a real time water leak detection solution. Additionally, the procurement for innovation policy has been included within the communication plans of the main members of the so-called National System of Science, Technology and Innovation (hereafter “STI System”).

In spite of the fact that we believe there are experiences of procurement for innovation in Colombia, there are no records thereof what makes no possible to list the best practices and results up to now. Colombia Compra Eficiente started implementing the procurement for innovation policy on 2015 and results will be available for analysis by the end of 2016.
Policy instruments: The National Development Plan highlights procurement for innovation as a high priority policy to be implemented in the 2014-18 period. The regulatory framework for the STI System and related procurement is mentioned above. Innovation promotion initiatives are developed by government agencies, both at the national and sub-national level, mostly supply-driven and focused on possible demand from the private sector.

Financial instruments exist at the national level and sub-national level, provided by the Administrative Department of Science, Technology, and Innovation (Colciencias) and the Industry, Business and Tourism Ministry (MinCIT) to mention two of the most relevant.

**Challenges, risks and solutions to overcome obstacles**

The current regulatory framework enables the procurement for innovation policy allowing PCP and PPI processes; however its application is a challenge in a risk-averse culture amongst public officials fuelled by tight fiscal controls and cases of corruption in the past. The development of innovation-related competencies in public officers is a key success factor to overcome this fear and improve the results of the procurement process by strengthening the planning phase. On the other hand, there is a communication challenge to explain to the private sector the policy and the instruments developed for procurement for innovation. Quick wins are important and useful for followers. Financial instruments, for buyers and suppliers alike, should be strengthened in order to promote procurement for innovation.

It is too soon to state that we have overcome these obstacles, because the pilots are still in an early phase.

**Key lessons learned**

Procurement for innovation is not in the mind of public officers when they study the options to procure goods and services. Further, if they consider procurement for innovation the absence of precedents and the fear of a new method make them nervous. On the other hand, private sector is not familiar with procurement for innovation. Therefore, Colombia Compra Eficiente shall prepare training and communication tools addressed to government agencies and suppliers and work with the controlling authorities to offer comfort to buyers and suppliers.