



Pro-innovation Government Procurement

2018 Policy Address



“We will introduce a **pro-innovation government procurement policy** in April next year. By raising the technical weighting in tender assessment, tenders with innovative suggestions will stand a better chance of winning government contracts.

We will also enhance exchange with the sector and dissemination of procurement information to facilitate the participation of I&T start-ups and small and medium-sized enterprises (SMEs) in government procurement”

Principles



Open and fair competition



Transparency




Integrity



Pro-innovation

Specific changes to the procurement system under the new policy

✓ Stores 

✓ Services (exclude works contracts and consultancy) 

✓ Revenue contracts 

Tenderer's experience



Avoid setting Essential Requirements on tenderer's experience unless absolutely necessary



May be set as a **desirable** feature (normally capped at 15% of the total technical marks of marking schemes)



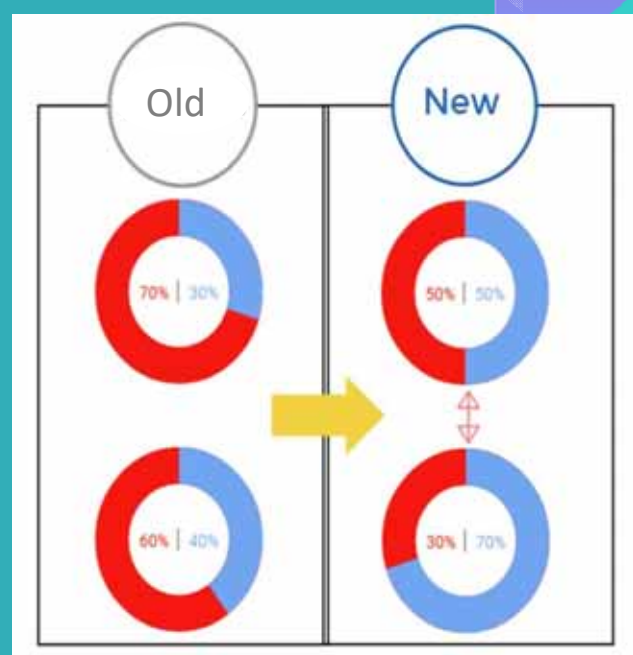
Remove entry barriers to start-ups or SMEs

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Marking Schemes for tenders

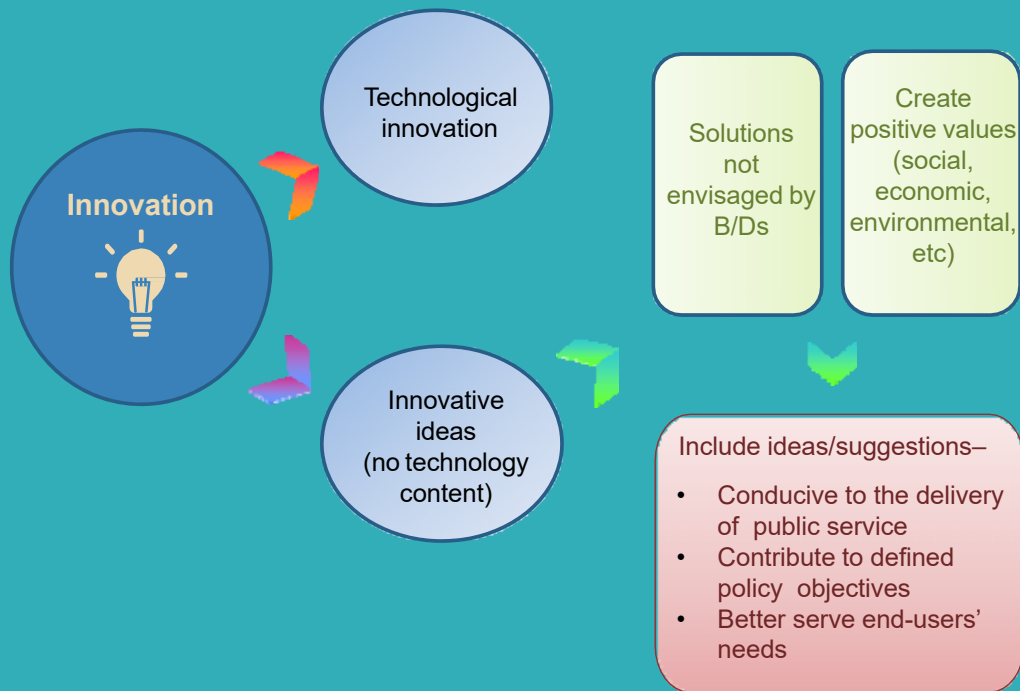
- Wider use of marking schemes to compare bids not just on price, but also on quality
- Technical weighting uplifted from normally 30-40% to 50-70%
- A portion of technical marks reserved for innovative suggestion assessment

Normal Technical : **Price** weighting



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“Innovation” in government procurement



Facilitation measures on pro-innovation procurement



Briefing/training



Design thinking



Trade shows (ITB/Efficiency Office)



Innovation Facilitators -
- Electrical and Mechanical Services Department (EMSD); and
- Office of the Government Chief Information Officer (OGCIO)

Engagement with the I&T sector

Pre-Tender Stage	Tender Stage	Post-Tender Stage
<ul style="list-style-type: none"> Gather market information for procurement and inform market of business needs Trade show Proof-of-Concept (PoC) 	<ul style="list-style-type: none"> Get quality proposals from the suppliers Tender briefing 	<ul style="list-style-type: none"> Identify improvement opportunities for future procurement Debriefing

Greatest potential for innovation

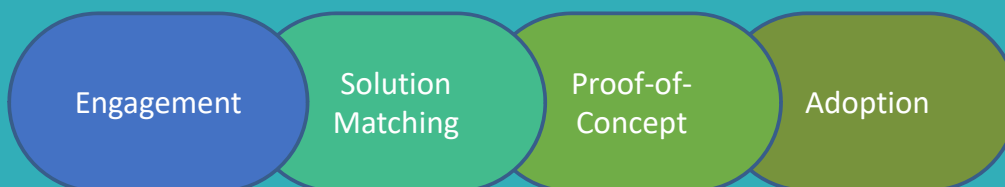
- OGCIO - Smart Government Innovation Lab
- EMSD - E&M InnoPortal
- ITB/EffO - Trade show
- GLD - Publication of procurement plans of B/Ds



Smart Government Innovation LAB under OGCIO



- to connect government departments with the IT sector, particularly local start-ups and small and medium enterprises (SMEs)
- to help departments leverage on the innovation and technical solutions from the industry for enhancing the quality and efficiency of public services.



Engagement with B/Ds and IT Sector

B/Ds

- ❑ Business Challenges
- ❑ Wish-lists

IT Sector

- ✓ Ideas & products
- ✓ Use Cases

On-line
Portal

(www.smartlab.gov.hk)



Start-ups / SMEs friendly procurement



Divide large contracts into smaller ones if feasible



Outcome-based specifications; avoid over-specification and over-prescription in product / service requirements



Milestone and timely payments



Thank you!