

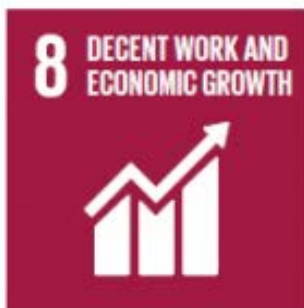
# **Public Procurement and Innovation: the nexus with Sustainable Development**

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# THE GLOBAL GOALS

For Sustainable Development





# Why public spending is an efficient vehicle to drive public entrepreneurship

Happens as a part of governance

**Governments spend to execute election mandates**

Targeted

**Directed as discrete goods, services and infrastructure**

Value for Money

**Tender processes seek to provide open, fair and transparent competition to increase efficiency and share risks with private sector**



# Challenges in procuring innovation

**Should public spending be directed towards ‘me too’ technologies?**

**Target the needs, sector and solutions that are:**

- **high risk**
- **high uncertainties**
- **high risk of failure**

**Counter cyclical financing:**

**spending during times of economic growth and downturn**



# Challenges in procuring innovation when we want sustainable, inclusive and smart economies

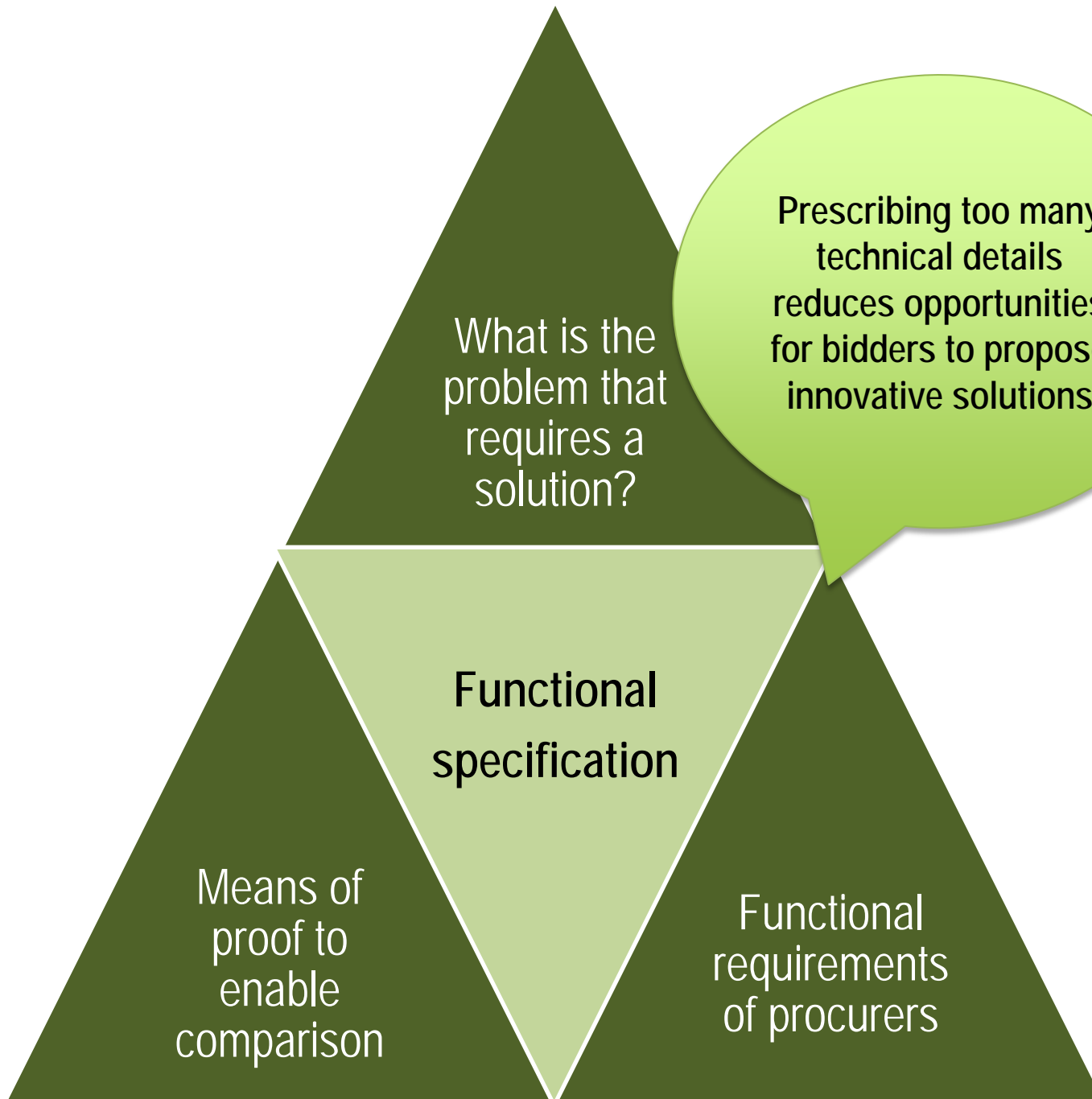
## High Risk commands high rewards

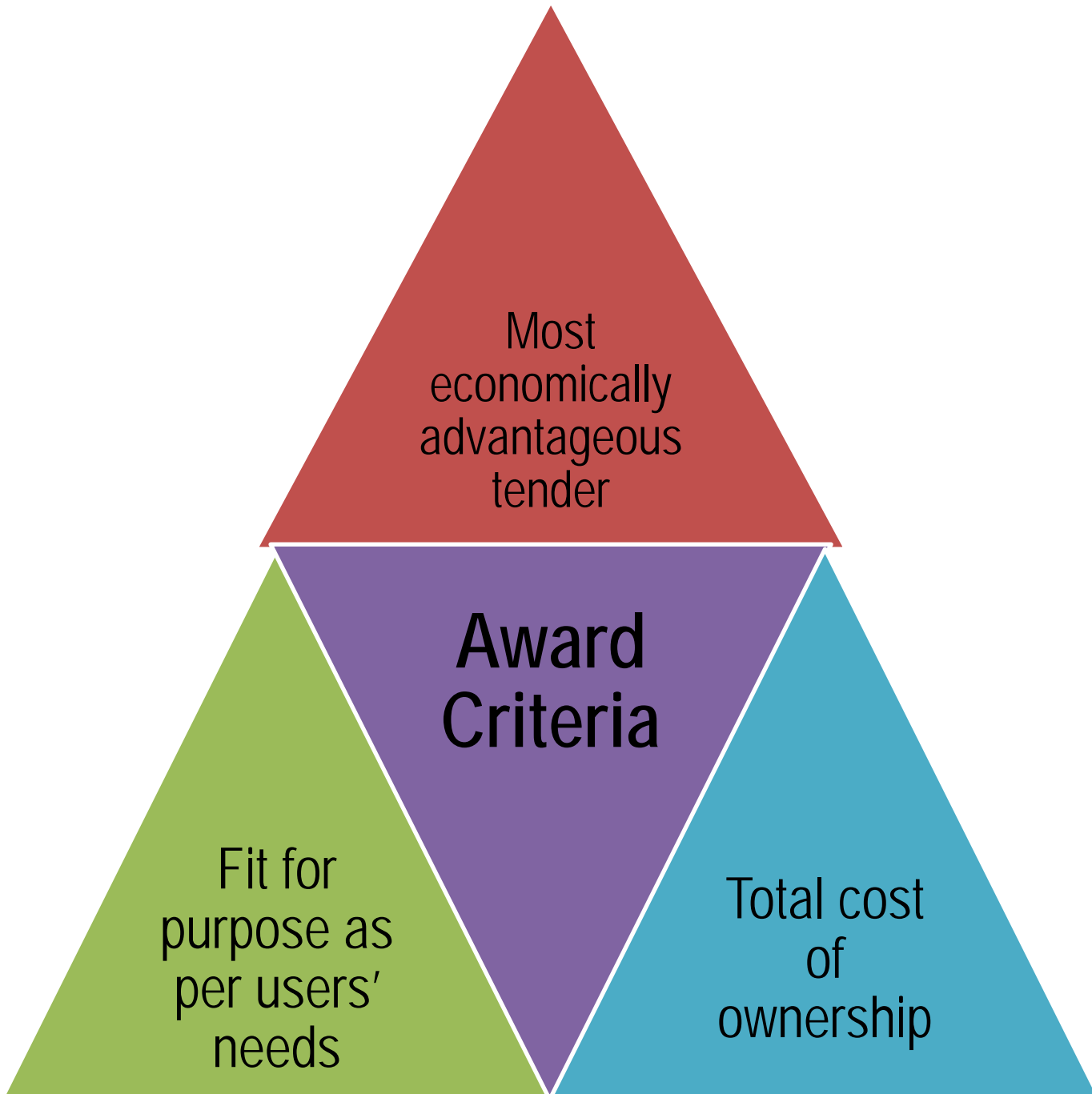
**Structures that pay ‘dividends’ to the public sector when innovations are successful**

**Vehicles to channel these ‘dividends’ to fund future rounds of fundamental research**

**Indirect returns - productivity, wages and taxes – are tracked and quantified**















# Thank you

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