OUTPUT FACT SHEET

Pilot actions (including investment, if applicable)

Version 2

Project index number and acronym	CE659 PPI2Innovate
Lead partner	Central Transdanubian Regional Innovation Agency Nonprofit Ltd.
Output number and title	OT3.1: PPI Pilots using PPI2Innovate tools and competence centres
Investment number and title (if applicable)	n/a
Responsible partner (PP name and number)	PP3: Municipality of Lublin
Project website	http://interreg-central.eu/Content.Node/PPI2Innovate.html
Delivery date	07/2019

Summary description of the pilot action (including investment, if applicable) explaining its experimental nature and demonstration character

The Lublin PPI Pilot action in the SMART energy field was a comprehensive, about three years long undertaking. It was aiming at learning the nature of PPI following the project-based developed PPI2Innovate tool for SMART energy from the one side, and to find an innovative solution addressing identified needs, i.e. ensuring better quality and higher efficiency of lighting in the City of Lublin from the other side. The action concerned specifically additional lighting of the amphitheater in the John Paul II Park in Lublin. As a result of work made by a PPI Pilot team, a new market solution should be deployed after conducting innovative procurement and selecting contractor of the executive project on innovative street lighting. This action was an experimental and it wasn't done previously in Lublin. It created an excellent opportunity to learn how to look for innovation in a sophisticated and comprehensive way. Up to this point, the effects of conducted PPI procedure would be an example for other procurers from and out of the region aiming to innovate and for future public procurements in the Municipality of Lublin as well. Moreover, effects of the undertaking pilot will have a wide impact as it is done within the mutual decision making process of both municipality and its inhabitants. Thus, the PPI2Innovate tool and PPI concept generally proved to be a viable instrument for public procurers in case when unmet needs could not be fulfilled by a standard and well-known solutions.

To be more specific, extensive activities aimed at finding the need and subsequently defining the subject matter of the procurement have been carried out since the end of 2016. Both (1) meetings with the policy decision makers - directors of individual departments who had in the required period of 2018-2019 to perform a public procurement procedure for an item that could be considered in terms of SMART energy, as well as (2) analysis of the budget and strategies implemented by the Municipality, in the region, as well as national and EU ones, resulted in the selection of several concepts. However, the analysis of the Lublin Participatory Budget 2018 turned out to be crucial. It followed that projects within this participatory instrument, including those related to the energy sector, must be implemented in the next year after the voting process and their approval, which corresponded to requirements of the PPI2Innovate project timeline. Thus, the final concept of additional lighting for the amphitheater in the John Paul II Park fulfilled all the requirements.

Due to experimental nature of procurement and lack of experience in the PPI field, Municipality of Lublin looked for support and, in January 2018, signed a contract with an external expert of identified PPI Pilot. With its help, needs of Municipality of Lublin were properly identified and described. Then, at the turn of March and April 2018, market consultations took place. Although the interest in a market consultation was shown by only two entities with one participating in a one-to-one meeting with the procurer, their effect was satisfactory. It presented the concept of replacing standard light bulbs with LED lamps equipped with a motion sensor - a low resolution camera to increase lighting quality and energy efficiency and, additionally, a prototype air quality sensor to monitor the level of air pollution in the area. Each lantern luminaire offered by a participant of the market consultation also allowed to integrate additional sensors.

Both the external expert and the project team started working on the description of the subject of the procurement. As a part of developing description of the PPI subject matter, it was necessary to ensure that the solution sought will be compatible with electrical and IT infrastructure of the Lublin Commune. It was also necessary to ensure the description of the subject matter of the contract did not indicate specific contractor, is not biased in a way.

The specification was finalized at the beginning of July 2018. The subject of the PPI was an executive project covering the abovementioned solution. Innovation was already necessary at this stage. During the construction works it would be too late for it, as when preparing the investment procurer should assume all the innovative-based needs to be met at the level of executive project. Due to the value of the subject matter of the procurement, the procedure was exempt from the application of the Act of Public Procurement Law of Poland. The Investments and Renovations Department of Municipality of Lublin was responsible for the course of the procedure. On July 11, three entities selected from the database of potential contractors were invited to submit an offer. The criterion was 100% price. Each invited potential contractor submitted an offer. On August 10, a contract was signed with a winner of PPI.

At the present stage, the executive project is developed. Lublin also signed a contract for the execution of construction works related to additional lighting for the amphitheater which are to be started in early spring of 2019 and should be completed to the end of the present year.

NUTS region(s) concerned by the pilot action (relevant NUTS level)

There is only one region concerned by the pilot action conducted by Municipality of Lublin. It is subregion Lubelski PL 814 (NUTS 3) in Lubelskie Voivodeship PL 81 (NUTS 2) placed in the Eastern Macro-region of Poland PL 8 (NUTS 1). The entire investment is located in one of the districts of city of Lublin – Czuby Południowe.

Investment costs (EUR), if applicable

Estimated street lighting construction works: approx. PLN 20 000 (EUR 4 675)

The final value of the procurement of executive project in accordance with the contract signed: PLN 3936 (EUR 920).

Expected impact and benefits of the pilot action for the concerned territory and target groups and leverage of additional funds (if applicable)

In assumption of decision makers of Municipality of Lublin who approved the pilot procurement in such shape, an important benefit is to test a given solution from the perspective of future investments. The scale of PPI is small but will allow to carry out tests in the best possible way.

Assuming that the obtained data will prove correct, Municipality of Lublin will expect an energy savings and higher efficiency of deployed solution. Assumed electricity savings comparing a sodium bulb and a street LED is about 50% in favor of the second one. The use of a motion sensor gives an additional 80% savings compared to the LED bulb without a sensor. The cost of a low-resolution camera, however, it means that the payback time of the investment is estimated at 7-8 years. Possibility of using the tested solution in a wider scope, especially with the help of external funds, will allow Lublin to achieve significant savings thanks to conducted PPI Pilot.

As to motion sensors themselves, they have an additional advantage fort the territory and residing community. Their use will increase comfort of district inhabitants, whose houses are located next to the sidewalks. Constant, strong lighting for most of the night will be less onerous.

The use of an air quality sensor, in turn, meets the residents' expectations related to monitoring and improving air cleanliness. Currently this is a very big problem in Polish cities. From 50 European cities with the most polluted air, 36 are from Poland.

At the moment, the impact of the PPI pilot action should be identified first of all as a local one. It will increase the comfort of living for residents of the immediate vicinity of the amphitheater and, in the longer term, inhabitants of the city of Lublin. The solution will generate economic benefits for Municipality, which will allow for further investments in the city's administrative boundaries. Additional presence of the air quality sensor will allow for a wider monitoring of pollution level in the area and thus more effective counteraction.

At the regional and EU level and in the long-term perspective, a positive test results and obtained data will surely interest other local governments in and outside the country. Moreover, the experience of Lublin could be also shared with other procurers and within the Polish PPI Competence Centre in the future.

Sustainability of the pilot action results and transferability to other territories and stakeholders.

Sustainability of the pilot actions results is seen in several fields. First of all, it can be noticed in a change of attitude towards innovation procurement among people involved in the pilot action. PPI experience showed them that one can meet its needs in a different, more innovative way. Therefore, it will drive municipal officers managing public procurements to conduct innovative procedures in the future. Next, the sustainable effect was obtained taking into account increase of knowledge, change of attitude, access to new experience and skills in reaching and communication with the market in the sector in which the pilot was realized. Increased knowledge and tightened contacts with the market not only concern the project team in the strict sense, but also the employees of the department implementing the proceedings and other ones engaged in the PPI pilot action. Finally, sustainability is achieved through durability of the PPI Pilot main result, i.e. the investment that will be following procured innovative executive project. Moreover, energy-efficient lighting is a current challenge of present days, thus the motion sensor provides an additional advantage of the proposed PPI solution. We believe that it is worth to demonstrate its profitability within the product life cycle as it will contribute to reducing energy consumption and obtaining economic savings in future.

When it comes to transferability, it is seen on two levels. On the one hand, it is certainly possible to transfer the knowledge and experience acquired by the project team during the project implementation. Sharing of gained practice will be possible both within and outside the departments of Municipality of Lublin, during the implementation of other projects or within operation of project-based Central European Network of PPI Competence Centers. Yet as for transferability regarding the subject matter of the pilot PPI, it depends more on the effects of this test-oriented action. Demonstration of economic benefits within the product life cycle will definitely result in broader usage of the solution and its popularity in the region or in the country or EU-wide.

Lessons learned and added value of transnational cooperation of the pilot action implementation (including investment, if applicable)

Exchange of experience is always valuable regardless of whether it is done on the local or international level. At the local level, it allows you to receive tips more suitable for specific needs and requirements. The reason is that exchange on this level is based on work in the same realities (conditions) and legal status of the procurement. In turn, transregional exchange allows to gain opinions from people from the other cultural and systemic environments. Despite such tips tend to be more general in a way, they also allow a procurer to follow more system-oriented and complete approach which is not based on locally specific norms or problems solved in a traditional way.

The project's very valuable experience was peer review and mutual learning process, especially for Lublin as a pilot partner. Such a model allowed to receive feedback from 9 partners, totally more than 20 experts in the field, representing altogether 6 Central European countries. Besides getting feedback this approach allowed to provide feedback to other public players in other Central European regions as well.
As a general observation resulting from the above it can be pointed out that although every pilot partner operates in slightly different realities, the problems were often similar. This gives innovation procurement ecosystem in Central Europe more potential, as well as satisfaction to act effectively basing on cohesive, even similar, mutually developed universal instruments such as nationally customized PPI2Innovate SMART tools.

Contribution to/ compliance with:

- **relevant regulatory requirements**
- **sustainable development - environmental effects. In case of risk of negative effects, mitigation measures introduced**
- **horizontal principles such as equal opportunities and non-descrimination**

Proceeding regarding the pilot PPI procurement of Municipality of Lublin was conducted as a sub-threshold procedure due to its low value. As such, it was not subject to the Act of Public Procurement Law of Poland. It was carried out in line with the internal regulatory requirements, on the basis of the contracting authority's internal regulations constituting the order of the Mayor of the City of Lublin.

During implementation of the procedure Lublin team took into account the principles related to sustainable procurement and development. The subject of the procurement was representing real needs of the local community, thanks to use of municipal participatory instrument. Decisions on direction of development process regarding description of the subject matter of the contract were made in a thoughtful manner. They aimed to find a solution with the least negative effects on the environment and took into account social and economic effects of the procurement. The purchase of LED lamps equipped with a motion sensor, as well as additional equipping of lamps with an air quality sensor does meet the expectations of inhabitants and decision-makers from the district and the city. It also is seen as a scalable process, which, in case of successful testing, can follow to even wider application of the solution in future. Thanks to the above mentioned actions there were no risks identified associated with environmental protection.

The entirety of the proceedings during the implementation of the contract corresponded to the principles of equal opportunities and non-discrimination, i.e. starting from the selection and the composition of the project team, through the selection of experts, invitations to participate in market consultations, carrying all the public procurement procedures within the project implementation, and finally in case of selection of a contractor within the pilot PPI procedure. According to this principles Municipality of Lublin acted properly to avoid discriminatory behavior in terms of gender, religion, age, origin, views etc.

References to relevant deliverables (e.g. pilot action report, studies), investment factsheet and web-links
If applicable, additional documentation, pictures or images to be provided as annex

The PPI pilot action carried out by Municipality of Lublin can be referenced to following project deliverables:

Thematic Work Package T3: 4 PPI Pilots using developed Tool and Network
Activity A.T3.1 Implementation of 1st pilot action: SMART Energy public service or solution at local level (Lublin)
D.T3.1.1 Specification of requested SMART Energy public service or solution for city of Lublin.
D.T3.1.2 PPI Call for tender documentation.
D.T3.1.3 Approval of City Council.
D.T3.1.4 Report from selection process.
D.T3.1.5 Signed contract with winner of PPI
D.T3.1.6 Case study and Final Report from SMART Energy PPI Pilot

Activity A.T3.5 Evaluation of pilot actions results and recommendation for PPI2Innovate tools improvements
D.T3.5.2 Mid-term transregional peer-review and mutual learning report
D.T3.5.4 Improved Action plans (Output 2.1) based on experiences from Pilots