



Defence Materiel Organisation  
*Ministry of Defence*



## **Radio Interoperability: a requirement for effective mobile communication in the security eco system**

*Invitation to join the Netherlands Pre-Commercial Procurement Initiative*

DMO

Defence Procurement Support Division

Ms. DrS. GPW Arts, MPA, Mr. Stephan Corvers

2nd SEREN3 PCP/PPI training,

Warsaw, 30th May, 2017



## Agenda

1. Why the Netherlands initiative?
2. Why opening it up to other Contracting Authorities?
3. What issues to tackle in the PCP?
4. What is our strategy?
5. What could be in it for you?
6. What would we ask from you?
7. Take-Aways
8. Way ahead



## Why the Netherlands initiative?

- 3-day **training** on Innovation Procurement (Q4, 2016 – Q1, 2017)
- **Cases** used from operational military practice
- Decision to turn **radio** training **case** into **real Pre-Commercial Procurement Initiative**



## Why opening it up to other Contracting Authorities?

- We aim for a **combined civil-military solution**
- Because:
  - **Interoperability** a must for effective cooperation in the security eco-system



# Interoperability

Interoperability is the ability to have different autonomous heterogeneous units, systems, actors, organizations or individuals cooperating, communicating and exchanging information. Interoperability is a must to establish **a functional network.**



## What issues to tackle in the PCP?

- **Mobile communication:**
  - Voice over
  - Data
  - Image
- **Lock-in situation:**
  - Imperfect market
- **Radical innovation**



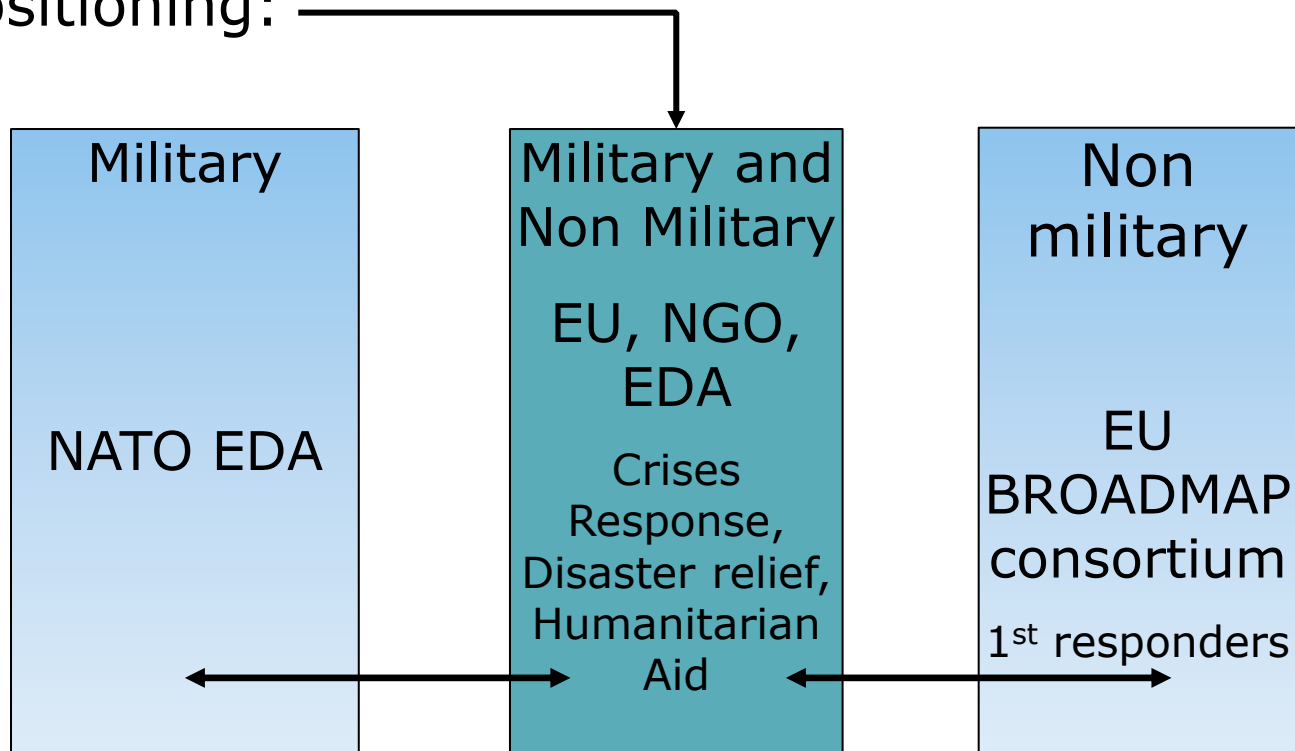
## What is our strategy?

- Pre-Commercial Procurement methodology to **attract innovative proposals** (usual and unusual vendors, large and small)
- Aimed result: at least **2 competing and tested solutions**
- In order to successfully challenge the market: **increase demand side power** on a pan-European scale
- **Complementary to other initiatives** (military, civilian)
- Using H2020 **SEC-13** as **vehicle**



# Military and Non Military security domain

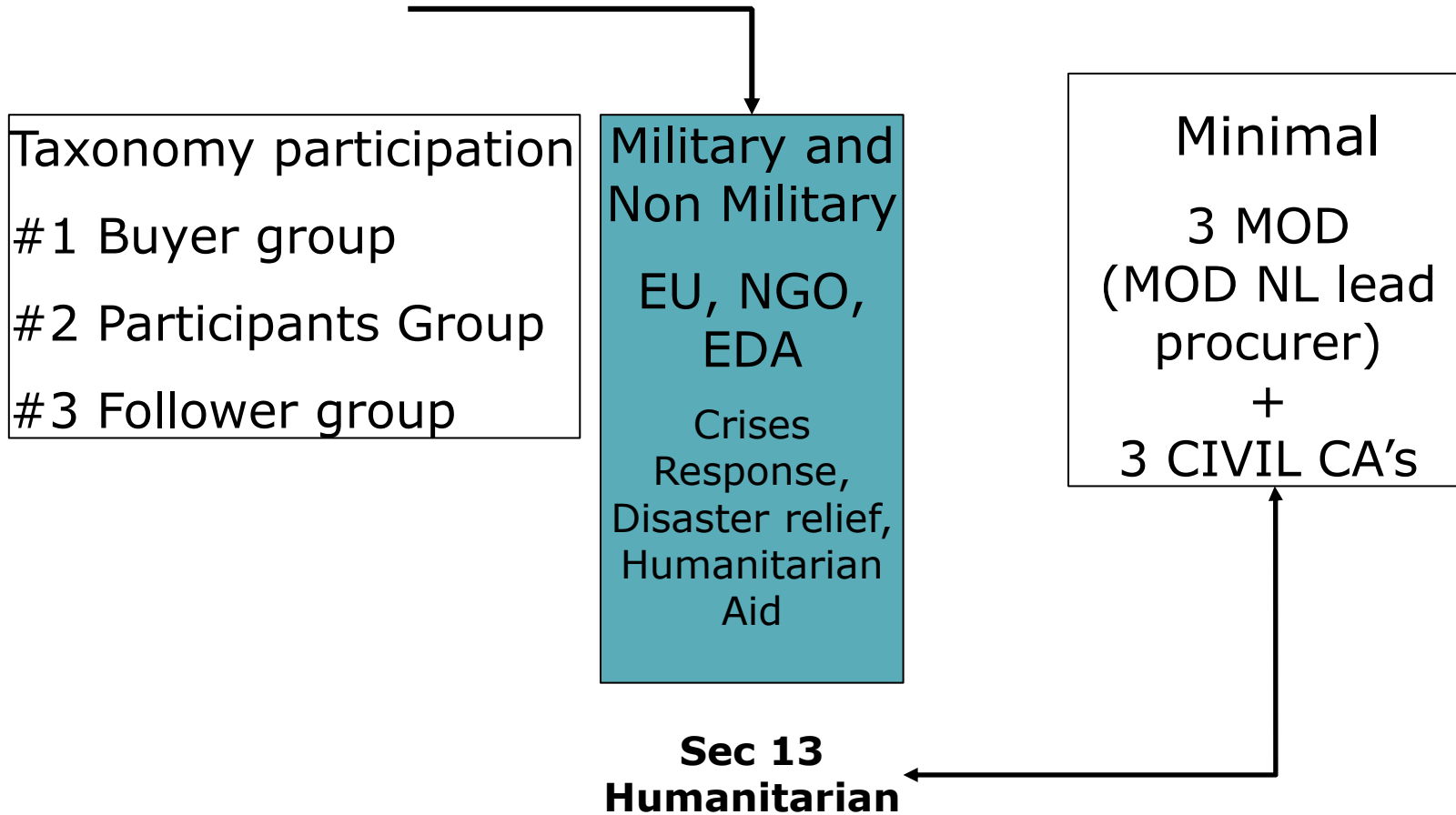
Positioning:







# Baseline, focus and taxonomy





## What could be in it for you?

- Prospective to enormous **operational accelerator** in the security eco-system
- Prospective to **develop knowledge and experience** with PCP in a complex setting
- Prospective to be **reimbursed 90% PCP out-of-pocket costs** for (full) partners in case of awarded H2020 grant.

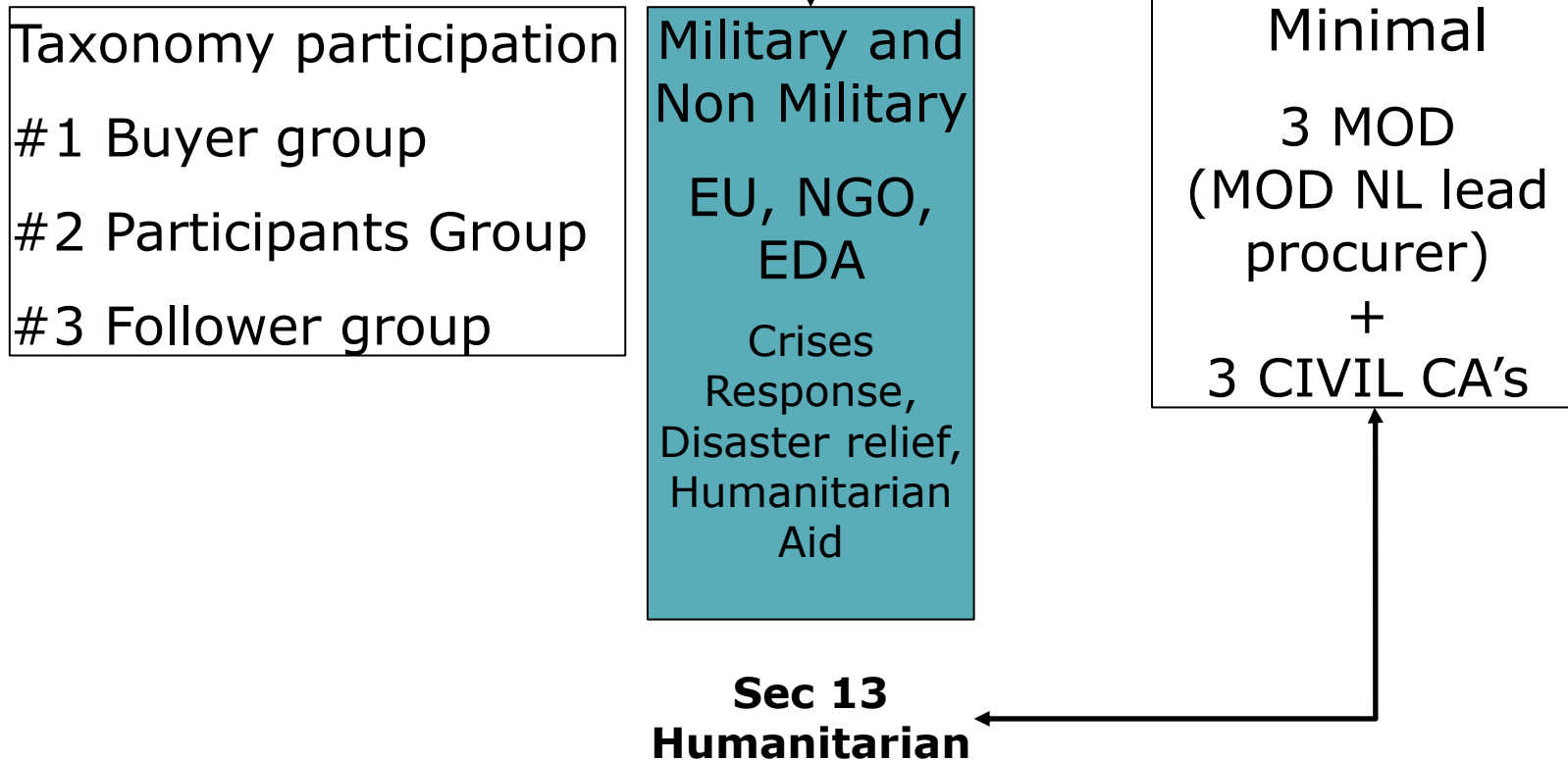


## What would we ask from you?

- To join our initiative
- In one of **3 partner roles** (EU Commission H2020 taxonomy):
  - **Buyer**
  - **Participant**
  - **Follower**



## What would we ask from you?





## What would we ask from you?

### **Each Core team member (Buyers group >6)**

- In kind contribution
- Subcontractor arrangements (technical etc)
- Test beds
- Pro rata part of foreseen out of pocket costs PCP technology vendors (3-5 mln. Euro)

### **Participants & Followers (>10)**

- In kind contribution

*Horizon 2020 Funding if applicable*



What would we ask from you?

## Timeline (H2020)

**Phase 1:** Present to August 2017 (Bid phase)

**Phase 2:** September 2017- April 2018  
(evaluation Phase)

**Phase 3:** April 2018- 2020 (PCP Execution)



What would we ask from you?

**By August MOD NL will decide in consultation:**

- Either to move ahead with SEC (13)
- Or to continue without H2020 funding



## What would we ask from you?

### **Way Ahead:**

setting up cooperation between military and civilian contracting authorities:

- |                              |                           |
|------------------------------|---------------------------|
| 1. Signed letter of interest | per June 15 <sup>th</sup> |
| 2. MNDA + LOI/ MOU           | per July 2017             |
| 3. Consortium Agreement/ MOU | Q4 2017                   |





## Take Aways

- **Requirement:** Interoperability a precondition to effective cooperation in the security eco-system
- **Issue:** Radio (mobile communication) interoperability unsolved
- **Solution:** civil-military and increasing demand power to pan-European level
- **Benefits/Prospective to:**
  - Enormous operational accelerator for partners in the security eco-system
  - Build knowledge and experiences on PCP in complex setting
  - Possible reimbursement of 90% out-of-pocket costs (full participants)



***Invitation to join us after the Workshop  
today  
to get more detailed information!***

***(Letter of Interest + Point Paper + PPT)***



In case you are interested

Please send your *letter of interest* to:

Senior Project Manager Innovation

Mr. Fikri Demirtas  
[F.Demirtas@mindef.nl](mailto:F.Demirtas@mindef.nl)



THANK YOU FOR YOUR  
ATTENTION



# Questions



## MOD NL Perspective

# The Problem of the imperfect Marketplace

MOD NL is faced with the absence of **one shared functional network** because:

1. Vendors have acquired a significant market position
  - Technical intra-operability: non-disclosure to similar vendor or solutions
  - Where a preference for proprietary systems prevails
  - The military grade radios of the different vendors are similar in application (homogeneous)
  - Vendor behavior characterizes a market form called an oligopoly
2. Policy driven behavior national industry