

INNOVATION PROCESS IN PUBLIC PROCUREMENT: CHALLENGES AND OPPORTUNITIES

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Abstract: *This paper examines the complex role of innovative public procurement (IPP) as both a strategic mechanism and a systemic instrument within the European Union, emphasizing its voluntary adoption by Member States while being closely monitored by public authorities. More than a mere procedural tool, IPP acts as a catalyst for sustainable economic transformation, enabling public entities to stimulate innovation while addressing social, financial, and environmental challenges. By directing demand toward innovative goods, services, and technologies that would otherwise struggle to enter the market, innovative procurement helps build a dynamic ecosystem for progress, innovation stimulation, and increased competitiveness. The study outlines the structural and functional dimensions of IPP, highlighting its ability to balance economic efficiency with positive and innovative impacts on national economies. Furthermore, the paper underscores IPP's contribution to developing institutional competencies and fostering an innovation-driven organizational culture in the public sector, aligned with good governance principles. The conclusions position innovative public procurement not only as a procurement strategy but as a public policy instrument with real potential to generate inclusive growth and systemic change in line with the evolving needs of a rapidly changing society.*

Keywords: Innovative public procurement, Public policy, Innovation, Governance, Sustainability.

UDC: 001.895:351.712

Classification JEL: H57, O31, O38, Q56.

1. Introduction

In recent decades, digital transformation has redefined the way individuals, businesses, and institutions interact with public and private services, making access easier and streamlining everyday processes. However, few realize that the foundations of these changes were laid long before the recent acceleration of digitalization. Today, a shared vision centered on competitiveness and sustainability is taking shape at the global level, supported by states, international organizations, and the private sector alike [1]. This convergence reflects a growing awareness that contemporary society is evolving within a globalized framework, marked by profound imbalances and uneven development. As such, today's challenges require solutions that go beyond purely economic logic, placing innovation and sustainability at the core of development strategies.

Within this new strategic landscape, innovation is no longer a luxury but a necessity cross-cutting mechanism that affects all levels of society: national, regional, and international. Whether it involves emerging technologies, new organizational methods, or

market transformations, all forms of innovation contribute to shaping a sustainable future [2]. Therefore, sustainability cannot be conceived without a continuous innovation process, capable of responding to global dynamics and the multiple pressures on resources, economies, and social cohesion.

At the heart of this transformation lies the public sector, which increasingly plays a dual role: both as a driver of innovation and as a beneficiary of its outcomes. Through mechanisms such as innovative public procurement governments [7],[8] could not only improve the efficiency and quality of public services but also to actively shape markets in a direction that promotes environmental responsibility and social progress. By directing public demand toward sustainable and forward-looking solutions, public authorities can stimulate innovation ecosystems, support small and medium enterprises, and foster collaboration between academia, industry, and civil society. In this context, innovation is no longer limited to technological advancement but becomes a broader cultural and institutional shift - one that redefines how public value is created and delivered in an increasingly complex and interdependent world.

2. Literature Review

In the context of a globally shifting economy, academic literature reveals a growing interest in integrating innovation and sustainability into public policies, particularly in the field of public procurement. The review of relevant literature has allowed for the analysis of core concepts, the synthesis of theoretical approaches, and the use of comparative methods to shape an original perspective on the topic.

Directive 2014/24/EU [3] offers a broad definition of innovation, referring to the introduction of a new or significantly improved product, service, or process - including production, construction, marketing, or organizational methods - aimed at addressing societal challenges and supporting the Europe 2020 strategy for smart, sustainable, and inclusive growth [1].

The Oslo Manual 2018, developed by the OECD, expands on this concept by defining innovation as the implementation of a new or significantly improved product or process, which differs from the establishment's previous offerings and has been made available to users or introduced into operations [2].

In their 2025 report, Volodymyr Tarnay and Karolis Granickas [9] analyze how public authorities and companies perceive the impact of EU procurement directives. While over 50% of public authorities believe these directives have improved green and social procurement, companies tend to be more skeptical. Nearly half argue that the directives have not sufficiently supported green (46%), social (50%), or innovative (54%) procurement.

Broader international perspectives reinforce the need for transformation. According to the Open Contracting Partnership's Strategy 2024–2030 [10], there is a goal to improve \$2 trillion in public procurement spending by 2030, aiming to create more equitable, prosperous, and sustainable communities. The emphasis is placed on digital and sustainable procurement as key levers to better serve people and protect the planet.

Scholarly contributions also stress that the success of innovative public procurement depends not only on legal frameworks but also on institutional capacity and strategic alignment. Countries such as Finland, the Netherlands, and South Korea have developed coherent national strategies for innovative procurement, driven by cross-sector collaboration and an openness to risk-taking [11] and [12].

Public procurement's potential as a driver for innovation has been widely recognized in recent studies, emphasizing the role of government demand in shaping markets and fostering new technologies. According to Edler and Georghiou [14], public procurement can act as a "lead market" that encourages suppliers to develop innovative solutions that might otherwise remain uncommercialized due to high risk or cost. This perspective is reinforced by Uyarra et al. [13], who highlight the importance of policy coherence and strategic alignment between procurement practices and innovation goals to maximize the impact on national innovation systems. The strategic use of procurement not only accelerates innovation diffusion but also contributes to broader socio-economic objectives, including job creation and environmental sustainability [11, 12, 13].

Moreover, recent research draws attention to the barriers and enablers of innovative public procurement implementation. Walker and Brammer [15] identify organizational inertia, risk aversion, and lack of expertise as critical challenges hindering the adoption of innovative procurement practices. Conversely, building institutional capacities, fostering cross-sector collaboration, and developing clear policy frameworks are cited as key enablers that empower public authorities to pursue innovative solutions effectively [16]. Furthermore, digitalization emerges as a transformative force in modern public procurement, enhancing transparency, efficiency, and stakeholder engagement [17]. Integrating sustainability criteria alongside innovation in procurement decisions has also been shown to generate positive externalities that align with global agendas such as the UN Sustainable Development Goals [4, 14, 15, 16].

In summary, the literature demonstrates that innovation and sustainable development are not merely complementary concepts, but strategic foundations of a new public governance paradigm. Public procurement can become a true catalyst for systemic transformation - provided it is implemented through coherent policies, supported by institutional commitment, and embraced by economic actors.

3. Methodology

1. This research adopts a qualitative, exploratory approach grounded in the critical analysis of academic literature, normative frameworks, and international strategic documents. The methodological foundation lies in a multidisciplinary perspective, combining public management, innovation studies, and policy analysis to explore the role of innovative public procurement (IPP) in promoting sustainable development.
2. The study integrates several classical research methods. A descriptive monographic method, in line with the guidelines of the Oslo Manual (OECD/Eurostat, 2018), was employed to examine conceptual developments and theoretical frameworks relevant to innovation in public procurement. To reinforce the analytical dimension, a comparative analysis was conducted, juxtaposing practices and policy approaches adopted by various EU Member States with those of the Republic of Moldova. This allowed for the identification of key similarities, structural gaps, and context-specific opportunities.
3. Furthermore, the research drew on a systematic review of European Union directives, particularly Directive 2014/24/EU, as well as official reports and policy documents issued by the European Commission, the OECD, and the Open Contracting Partnership. These sources provided empirical grounding for the

theoretical assertions and helped trace the evolution of public procurement from a procedural function to a strategic policy tool.

4. Through the triangulation of data from literature, regulatory documents, and institutional reports, the study tests the central hypothesis that public procurement - when aligned with innovation policy - can serve as a catalyst for structural transformation and inclusive growth in emerging economies, such as the Republic of Moldova. The methodological approach emphasizes the contextual adaptability of European models and the potential for transposing good practices in line with national innovation capacities and governance structures.

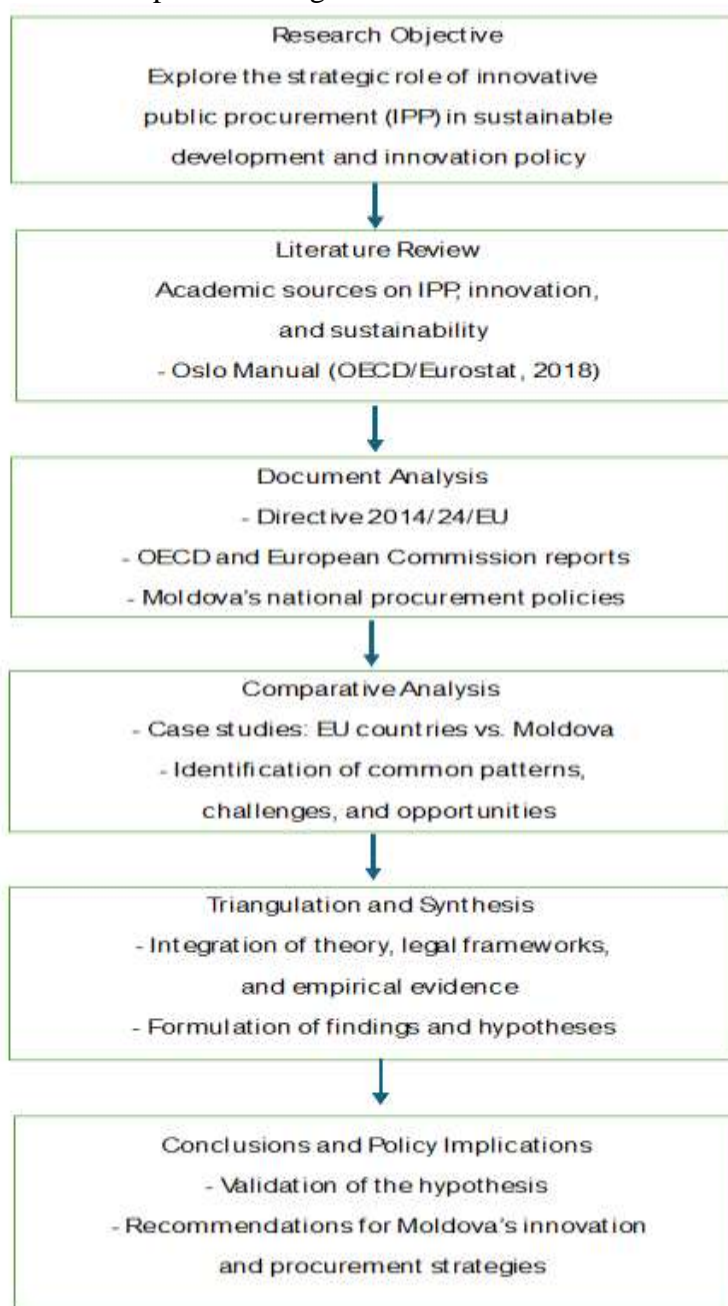


Figure 1. Methodological framework (visual logic scheme)

Source: Own processing

This model illustrates the logical flow of the research. It starts from the formulation of the core objective and proceeds through a structured review of theoretical literature, legal analysis, and cross-country comparison. The synthesis step integrates all sources and validates the research hypothesis: that IPP can serve as an effective policy lever for sustainable development in Moldova, especially when adapted to local institutional contexts.

4. Results and Discussion

The integration of innovation into public procurement mechanisms offers public authorities not only access to novel solutions but also the opportunity to enhance service efficiency while reducing costs. This strategic alignment transforms innovation into a pivotal element for building more sustainable, resilient, and competitive societies. When private enterprises aim to innovate in alignment with sustainable development objectives, they must orchestrate a synergy between process innovation, product improvement, organizational adaptation, and market transformation, each calibrated to the practical opportunities and constraints of their operational context.

In an era increasingly oriented toward the dematerialization of the economy [19], large corporations have adopted service-oriented strategies by embedding services into their products. This hybrid offering enhances perceived value while also contributing to waste reduction, a crucial objective in sustainability transitions. These service-based models not only foster customer loyalty but also allow firms to differentiate themselves through personalization and innovation, distancing themselves from price-based competition. Such models require highly specialized skills, reducing standardization and increasing competitive advantage. From a sustainability standpoint, this strategy strengthens the environmental argument while deepening consumer engagement through marketing innovations, such as transparent communication campaigns and stakeholder-driven feedback loops. Companies also engage in shaping environmental regulations through active participation in setting standards or sectoral agreements - a practice that can be interpreted both as environmental proactivity and as a form of lobbying that may limit regulatory ambition.

In contrast, small and medium-sized enterprises (SMEs) operating in niche innovation-driven markets often align their business models directly with sustainable development goals. Despite lacking the political influence of larger corporations, these firms remain highly proactive. Their agility enables them to focus on research and development (R&D), fostering a workplace culture rooted in innovation and employee empowerment. These firms acknowledge their limited global footprint but capitalize on specialized knowledge to remain competitive in defined market segments. Their innovation strategies are less reliant on scale and more on depth, adaptability, and the cultivation of human capital.

Other businesses, however, perceive environmental challenges as externalities rather than integral to their strategic outlook. For them, sustainability is more a regulatory compliance issue than a catalyst for transformation. The varying commitment of these three business typologies - large, service-integrated corporations; innovation-focused SMEs; and sustainability-indifferent firms - should be considered when designing and implementing national innovation and procurement policies.

The impacts of innovation on sustainable development can range from beneficial to adverse, depending on how the innovation is conceived, deployed, and scaled. According to criteria established in prior studies [20], innovation outcomes can be categorized along three dimensions:

Functional purpose: including innovations aimed at prevention, end-of-pipe solutions, remediation, monitoring, substitution, and resource efficiency.

Technological integration: distinguishing between complementary technologies - add-ons that reduce environmental harm without altering the core process - and integrated technologies that embed sustainability into the design and production stages.

Degree of novelty: differentiating between incremental innovations, which involve gradual improvements, and radical innovations that disrupt entire sectors or spawn new industries (e.g., lasers, radar, fiber optics, computing).

From a regulatory perspective, Directive 2014/24/EU, Article 2(22) defines innovation as the development of significantly enhanced or entirely new products, services, or processes, including changes in marketing or business practices, that contribute to societal problem-solving or support inclusive and green growth strategies [10]. The OECD (2018) similarly characterizes innovation as the implementation of new or significantly improved offerings, either through products or processes, that differ markedly from previous iterations [13].

In this context, innovative public procurement (IPP) emerges as a mechanism through which public authorities acquire solutions that are either novel or significantly improved, thereby raising standards of performance, quality, sustainability, and impact [21]. Importantly, IPP often targets output and performance indicators - such as quality, effectiveness, and operational capacity - rather than prescriptive technical specifications.

Procurement for innovation typically occurs when the public sector leverages its demand power to acquire solutions that are not yet commercially mainstream [18]. The first step in this process is aggregated demand formation, where public entities (either individually or collectively) announce their innovation needs and signal purchasing intentions. By articulating performance expectations and projected timelines, procurers can stimulate private sector investment in solution development. This preparatory phase may also include solution validation, wherein suppliers' prototypes are assessed for feasibility prior to procurement.

IPP complements pre-commercial procurement (PCP), which supports the R&D phase of innovation. While PCP covers prototype development and testing, IPP enables the deployment and scaling of market-ready innovations, including those arising from non-technological innovation such as organizational redesign or service model transformation.

When public procurement fosters innovation at scale, it yields a series of interconnected benefits [9]:

- Enhanced public services through high-quality, cost-efficient solutions.
- Creation and expansion of niche markets for innovative products and services.
- Increased competitiveness for innovative firms, enabling them to reach economies of scale.
- Stimulation of long-term partnerships, cross-border collaborations, and sustainable supplier relationships.

The innovative dimension of public procurement lies not only in the nature of the goods or services procured but also in the strategic design of the procurement process itself. This includes the use of forward-looking award criteria, the promotion of supplier collaboration, integration of digital platforms like SEAP (Electronic System for Public Procurement) and ESPD (European Single Procurement Document), and joint procurement at regional or national levels.

Innovative public procurement allows public authorities to access advanced, tailor-made solutions that respond effectively to specific needs, supporting the delivery of high-quality public services in a cost-efficient manner. In a context shaped by significant challenges - such as demographic ageing, climate change, energy crises, and the need for responsible resource management - local and national administrations are increasingly required to adopt strategic instruments that generate long-term public value.

Directing investment towards innovation-oriented procurement policies has the potential to boost the European economy's competitiveness while accelerating the transition to a more sustainable and resilient economic model [4]. A well-structured strategic framework, supported by coherent policies and an institutional culture that fosters innovation, can transform public procurement from a routine administrative process into a powerful driver of technological and societal progress.

A key advantage of innovative procurement lies in its flexibility - it can be applied in any EU Member State, across any public authority, regardless of the sector. However, the success of these initiatives relies heavily on a deep understanding of beneficiaries' needs, the market's maturity level, and the institutional capacity to manage complex procedures. While the steps and tools may vary, several universal principles ensure implementation effectiveness: strategic planning, continuous market engagement, clear risk assessment, and a collaborative public-private approach.

Moreover, by cultivating an environment conducive to innovation and taking a proactive role in stimulating demand for new solutions, public authorities can shape markets in a sustainable direction and guide investment toward critical future-facing sectors. This dual impact - modernizing public services and strengthening innovation ecosystems at both national and EU levels - illustrates the strategic importance of public procurement as a lever for transformative and inclusive



Figure 2. Implementing innovation procurement (case study)

Source: [13]

Human capital stands at the core of competitiveness in the global economy, acting as the primary catalyst for innovation and sustainable growth. However, Europe currently lags in transitioning toward a truly knowledge-driven economic model. Bridging this gap demands a collective, strategic response. National governments must fully commit to the financial allocations already pledged - ideally with strong support and collaboration from

the private sector - and pursue comprehensive reforms across all levels of education, including vocational and lifelong training systems.

On a broader scale, the European Union needs to enhance its involvement by optimizing existing budgetary tools and leveraging institutions such as the European Investment Bank and the European Investment Fund more effectively. Additionally, to ensure long-term sustainability and innovation financing, the EU should explore alternative revenue mechanisms - such as introducing environmental levies or a carbon tax - as potential instruments to support this transformation.

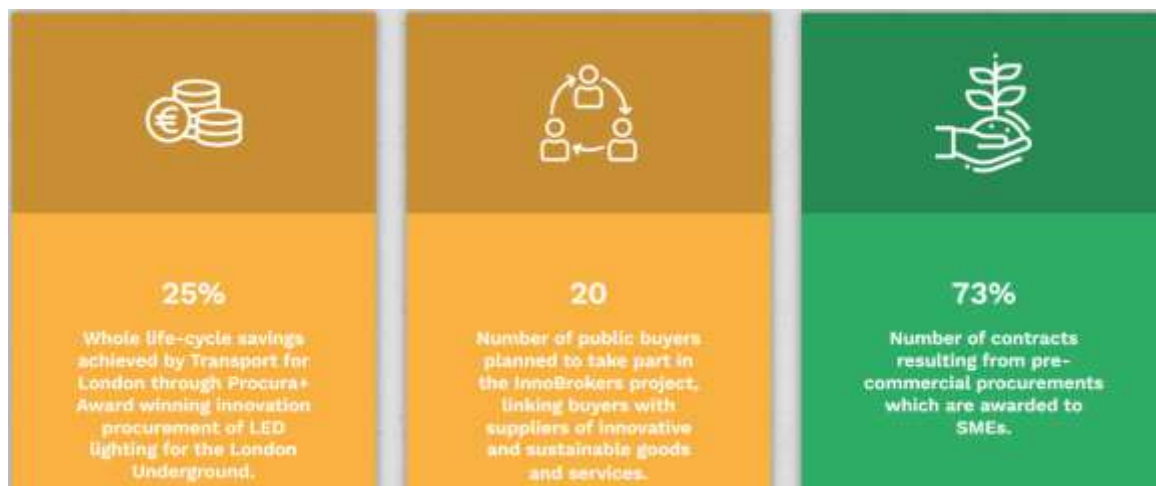


Figure 3. Implementing innovation procurement (case study)

Source: [13]

Innovative public procurement is a license to ensure a sustainable socio-economic development both at the local/national level and at the global level.

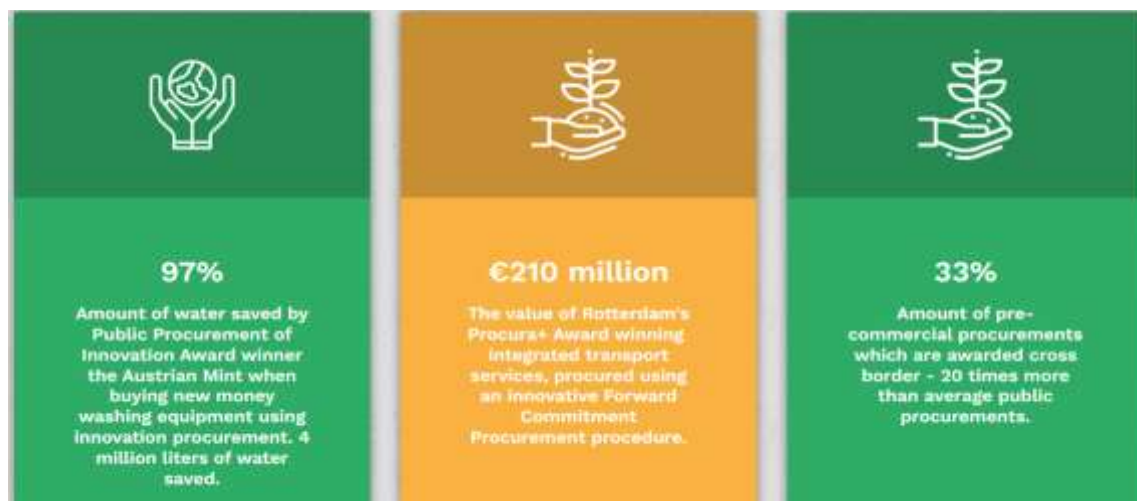


Figure 4. Implementing innovation procurement (case study)

Source:[13]

Driving Innovation through Professionalism and Digital Transformation in Public Procurement and Sustainable Finance

Delivering tangible value through innovative public procurement hinges on the professionalism and competence of those involved. A high level of motivation, combined with specialized expertise, is essential to navigate the complexities of modern procurement

processes. Civil servants tasked with managing innovation-based procurement must demonstrate proficiency across several domains, including:

- effective stakeholder engagement and cross-sectoral collaboration,
- deep understanding of targeted products and services,
- sound knowledge of applicable legal and regulatory frameworks,
- strategic risk assessment capabilities,
- negotiation techniques, and
- contract lifecycle management [20].

As the global financial ecosystem continues to evolve, the emergence of digital technologies is playing a transformative role in reshaping not only how services are delivered but also how capital is mobilized for sustainable development. Within this context, sustainable finance emerges as a strategic pillar, aligning investment decisions with long-term environmental, social, and governance (ESG) goals [4].

Sustainable finance seeks to direct capital toward projects and initiatives that actively address climate change, foster renewable energy, and promote social inclusion. Innovative instruments such as green bonds, sustainability-linked loans, and social impact funds are being enhanced by digital tools, which improve their operational efficiency and market penetration (OECD, 2020). These financial mechanisms are key enablers of environmental sustainability and social equity.

The Role of Digitalization in Advancing Sustainable Finance

The advent of digital solutions has dramatically expanded the capabilities of sustainable finance. Technologies such as blockchain, artificial intelligence (AI), and big data analytics are now central to the design and monitoring of ESG-aligned investments. Blockchain technology, for example, enhances transparency and traceability in financial transactions, ensuring that capital flows align with declared sustainability goals. AI, on the other hand, enables real-time environmental risk analysis and social impact evaluation, empowering investors to make evidence-based decisions [12].

These technologies collectively contribute to building a more resilient, inclusive, and accountable financial system. As a result, digital innovation is not just a tool, but a strategic driver for achieving sustainable development objectives in both public and private sectors.

Public Procurement Reform in the Republic of Moldova: Strategic Imperatives and Institutional Support

In pursuit of greater transparency, efficiency, and public value, the Government of the Republic of Moldova has undertaken comprehensive efforts to reform its public procurement system. Aligned with its commitments under the EU Association Agreement and the WTO Government Procurement Agreement, the Ministry of Finance requested technical assistance from the World Bank to assess the current system and propose reform priorities [29].

This assessment identified several key challenges and areas requiring targeted intervention, including:

- harmonization and modernization of the legal and institutional frameworks,
- professionalization of the procurement workforce,
- enhanced procurement planning and needs analysis,
- transparency and consistency in bid evaluation and contract awarding, and
- robust contract execution and performance monitoring mechanisms.

Given that public procurement accounts for a substantial share of national expenditure, its reform has far-reaching implications. Besides improving service delivery and infrastructure development, a well-regulated procurement system can foster

innovation, reduce corruption, and serve as a catalyst for local economic growth, particularly by supporting small and medium-sized enterprises (SMEs).

The Republic of Moldova has already made strides in this direction by deploying a national e-procurement platform and introducing a digital procurement guide to facilitate the end-to-end procurement process. However, to realize the full potential of these reforms, innovation must become a central strategic objective—not merely a procedural improvement. Embracing innovative procurement practices will be vital for delivering public services that are not only cost-effective and efficient but also sustainable and future ready.

From a data perspective, the situation is as follows:

1. Cost Efficiency and Savings through Digital Public Procurement

Since 2018, Moldova's MTender e-procurement platform has generated budgetary savings estimated at approximately €25 million by streamlining processes across over 2,500 institutions and awarding more than 26,000 contracts [23]. In comparison, Lithuania's centralized procurement reforms have rapidly increased the share of procurement through central entities from 10% in 2020 to 34.6% in the first half of 2023, while public procurement spending remains below the OECD average (9.4% of GDP vs. 12.9%) [22]. These figures confirm that digitalization and strategic centralization can produce significant fiscal efficiency and enhanced transparency in emerging administrations.

2. Market Transparency and Anti-Corruption Outcomes

The MTender electronic tool has significantly improved transparency: over 70% of stakeholders reported increased access to information and a notable reduction in corruption risks through publishing more than 14,000 calls for tender and awarding over 6,200 contracts in a controlled environment [5], [23]. A relevant regional example is Ukraine's Prozorro system, which reduced procurement costs by about 10%, resulting in estimated daily savings of US \$2.7 million [23]. These cases demonstrate how transparent and digitized platforms serve as effective instruments for building public trust and fostering a healthier competitive market.

3. Strategic Innovation and Sustainability Targets

In the European Union, public procurement accounts for approximately 14% of GDP and serves as a strategic lever for stimulating demand for innovative and sustainable solutions [24]. Lithuania, for instance, aims to achieve 100% green procurement and 20% innovation procurement by 2030, supporting the country's ecological and digital transition [22]. In Moldova, EU-supported programs like EU4Environment [28] target at least 15% of public procurement to include sustainability criteria by 2026, with technical specifications applied across various product categories [25]. These initiatives illustrate how public procurement can become a driver of innovation and sustainability when implemented strategically.

Policy Implications

The evidence from Moldova's experience, alongside best practices from Lithuania and Ukraine [26], highlights several strategic recommendations for enhancing public procurement as a driver of innovation and sustainability. First, continued investment in digital procurement platforms like MTender [27] is crucial to improve transparency, reduce corruption, and increase operational efficiency. Ensuring interoperability and user-friendliness will further increase adoption rates among public institutions and suppliers.

Second, fostering aggregation mechanisms such as centralized procurement units can strengthen the purchasing power of public buyers, encouraging suppliers to innovate and scale production of green and digital solutions. Policymakers should establish clear

mandates and incentives for procurers to prioritize sustainable and innovative criteria in tender processes, aligned with national and EU-level environmental and economic goals.

Third, capacity-building efforts for procurement officers must be expanded, emphasizing training on the latest regulations, innovation procurement strategies, and sustainable purchasing frameworks. Encouraging collaboration between public entities, private sector innovators, and research institutions will catalyze knowledge exchange and co-creation of tailor-made solutions.

Finally, monitoring and evaluation systems should be enhanced to track procurement outcomes, including the impact on market competition, sustainability indicators, and fiscal savings. Data-driven policymaking will enable continuous refinement of procurement strategies, ensuring alignment with long-term development priorities.

Public procurement represents a powerful lever for fostering innovation, sustainability, and economic modernization, especially in emerging economies such as Moldova. The adoption of digital procurement systems combined with strategic policy frameworks supports not only cost efficiency but also environmental stewardship and social inclusion. Comparative analysis with EU member states underscores the benefits of coordinated approaches that integrate demand aggregation, transparency, and capacity development.

Innovative public procurement, when effectively implemented, drives the adoption of new technologies and business models, thus promoting competitiveness and resilience. Moreover, aligning procurement practices with broader sustainability agendas amplifies positive societal impacts, contributing to the fulfillment of international commitments such as the European Green Deal and the UN Sustainable Development Goals.

Going forward, policy efforts must focus on scaling best practices, fostering multi-stakeholder collaboration, and embedding innovation as a core criterion in public purchasing decisions. Such a paradigm shift will enable governments to harness the full potential of public procurement as a catalyst for inclusive and sustainable growth.

5. Conclusions, Limitations, and Future Research Directions

In modern economies, a clear link exists between sustainability and innovation, although defining and measuring this relationship remains a complex challenge. Innovation serves as a vital mechanism through which companies can embed sustainable practices within their core operations. Conversely, sustainability acts as a catalyst that drives innovation, thereby creating a continuous cycle of mutual advancement. Nonetheless, organizations often encounter tensions and contradictions when attempting to implement innovation and sustainability strategies simultaneously. Effectively managing these paradoxes, particularly by fostering innovation-driven enterprises, benefits not only in terms of creativity but also for the broader societal well-being.

The development and deployment of the public procurement system in the Republic of Moldova have been shaped by an innovative mindset and close collaboration with international partners, overcoming numerous challenges along the way. The concerted efforts of the private sector, alongside a progressive segment of the public administration, have resulted in the establishment of a state-managed platform interconnected with multiple satellite platforms. This structure ensures transparency across all procurement activities while providing participants with choice, thereby enhancing competition and improving user convenience.

Looking ahead, the system faces ongoing challenges related to aligning with European standards. While the outlook remains positive, the future success of the platform

largely depends on political will and sustained commitment to the continuous digitization of public services.

To fully grasp the positive impact of innovation on sustainable growth, several key factors should be emphasized:

- The technological dimension of innovation, including digital and ecological technologies, rapid advancement could drive the transition to a more sustainable society.
- The promotion and support of sustainable development in synergy with technological innovation;
- The adoption and integration of emerging sustainable alternatives, either as replacements for or complements to conventional models;
- The encouragement by governments and corporations of innovation dissemination and geographic expansion, through various approaches to embedding sustainability into innovation processes.

Regarding the advancement of innovative public procurement in the Republic of Moldova, the following recommendations are proposed:

- Conducting pilot tenders focused on selected categories of innovative products;
- Updating procurement guidelines to reflect current best practices;
- Organizing training sessions for suppliers on sustainability compliance and certification, alongside sharing best practices for EU directive implementation;
- Developing a robust monitoring and evaluation framework to oversee contracts stemming from innovative public procurement;
- Creating an operational manual dedicated to innovative public procurement;
- Expanding the Public Procurement Agency's website to explicitly incorporate the innovative procurement dimension.

Implementing these measures will strengthen the strategic role of public procurement as a key instrument for fostering innovation and promoting sustainable development over the long term.

Limitations and Future Research Directions

Despite the comprehensive analysis provided, this study faces several limitations. Firstly, the reliance on secondary data and document analysis means that some contextual nuances, especially those specific to local practices and informal processes, may not have been fully captured. Additionally, the rapidly evolving nature of public procurement policies and innovation ecosystems means that findings may become outdated as new legislative changes and technological advancements emerge.

Another limitation relates to the focus on the Republic of Moldova and comparative analysis with European states, which may limit the generalizability of the conclusions to other geopolitical contexts with different administrative frameworks or economic conditions.

Future research should address these gaps by incorporating primary data collection methods, such as interviews with key stakeholders involved in innovative public procurement, including policymakers, suppliers, and end-users. Longitudinal studies would be valuable to track the evolution and impacts of innovative procurement practices over time.

Moreover, exploring the role of digital transformation and emerging technologies like artificial intelligence and blockchain in enhancing transparency, efficiency, and sustainability in public procurement presents promising avenues for further inquiry.

Finally, comparative cross-country studies involving a wider range of economies, developed, emerging, and developing—could provide deeper insights into best practices,

challenges, and contextual factors that influence the success of innovation-driven procurement policies globally.

In conclusion, innovative public procurement constitutes a vital mechanism for fostering sustainable development and enhancing economic competitiveness, particularly in transitional economies such as the Republic of Moldova. The strategic integration of innovation and sustainability principles within public procurement policies enables public authorities to act as catalysts for market innovation, technological progress, and social value creation. Despite persistent challenges related to governance, capacity constraints, and the pace of digital transformation, the empirical evidence underscores the significant potential of innovative procurement to drive systemic change. Moving forward, it is imperative to strengthen institutional frameworks, foster multi-stakeholder collaboration, and prioritize the continuous evolution of procurement practices. Such efforts will be essential in ensuring that public procurement not only meets immediate operational objectives but also aligns with broader policy agendas aimed at building resilient, inclusive, and sustainable societies.

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