PUBLIC PROCUREMENT NETWORK

Anne Turner, Director of Procurement Policy

Office of Government Commerce, London

Origins

Pilot Project 1998-2002 on application and enforcement of procurement rules

- <u>Steering group</u>: Netherlands, Germany, UK, Italy, Denmark, Spain

- <u>Other members joined</u>: Norway, Switzerland, Luxembourg,Liechtenstein, Austria, Ireland, Finland, Sweden, Portugal

- <u>European Commission</u> as observer

What is it?

Now: a permanent, informal, network of national procurement authorities

- open to all EU members and other European countries
- managed by its members with minimum bureaucracy – no permanent administration
- rotating chairmanship, on a voluntary basis
- meets annually
    - Copenhagen 2003: launch
    - London 2004
    - Ljubljana 2005

What does the PPN do?

Two key functions:

- Mutual exchange of experience and benchmarking
- Cooperation on problem-solving in cross-border public procurement

The problem-solving function is to help business, where

 - *there are barriers to participation in cross-border procurements; and*

-*the barriers are a probable breach of the procurement rules.*

Goal: promotion of equal and fair competition
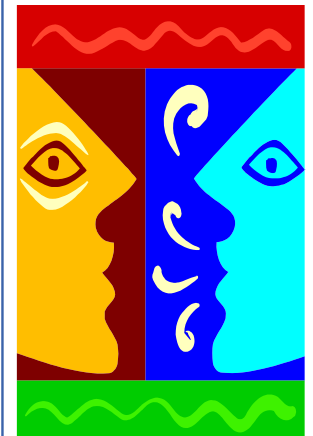
The PPN's relationship to SOLVIT

SOLVIT = on-line service open to business <u>and</u> the public

Concerns problems caused by the misapplication of (any) internal market law

Applies to EU25 + EEA

European Commission coordinates

PPN = specialist service for participants in public procurement

Accessible through SOLVIT or "home" PPN contact

Membership wider than SOLVIT - EU+EEA+Bulgaria, Romania, Turkey and Switzerland

European Commission a supportive observer

Raising a problem with the PPN

Company raises problem with national PPN or SOLVIT
 contact + assessment of facts.

- a <u>public procurement</u> matter?
- <u>possible breach</u> of the rules?

If "yes" -

national PPN contact raises problem with PPN contact
 in the country concerned

If "no" -

PPN contact advises complainant (who may still use
 other channels).

Resolving a problem with the PPN

If the contracting authority <u>agrees</u>:
- should seek to resolve it
- case closed

If the contracting authority *<u>disagrees</u>*:
- explanation is entered on SOLVIT database
- complainant may still pursue the case elsewhere

In <u>all</u> cases:
- complainant is informed of progress and outcome
- complainant may withdraw complaint

Some examples (1)
Errors can be corrected

A British firm complained that a University in the Canary Islands had refused to accept tender documents by courier.

The Spanish PPN contact was asked to intervene.

The University agreed it had made an error. It accepted the tender documents allowing the British firm to enter the competition.

Some examples (2)
Complaints are not always valid

A Danish company complained that a purchaser for the construction of a building in Germany had specified a particular trade mark/brand – discriminatory under public procurement rules.

But the Danish PPN contact discovered that the purchasing body was commercial and not covered by the public procurement rules.

Some examples (3)
It depends on an assessment of the facts

A firm complained that a German purchaser – the Ministry of Economics – had defined product specifications with reference to a national trade mark.

Less than 48 hours later, the German PPN reported that the contracting authority had agreed it should accept offers with equivalent specifications.

The complainant was able to submit an offer before the deadline.

The situation is complex

Not all barriers in public procurement are caused by the procurement rules

UNICE "trade barriers in EU" survey:

• too much regulation – EU + national

• uneven implementation of internal market rules

• different levels of enforcement

PPN or SOLVIT are not magic – but can help

Web address: www.simap.eu.int

Look for SOLVIT or PPPP – Public Procurement Pilot Project – or PPN logos