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Ladies and Gentlemen,

It is a pleasure to participate in this Conference.

Public procurement is an essential component of the economy representing more than 16% of GDP. The current economic climate has only accentuated the need for good/efficient public procurement actions as the financial leeway of states and regions is reduced and public deficits are high.

The legal framework surrounding public procurement is of course essential for both companies and contracting authorities. BUSINESSEUROPE very much supports the 2004 public procurement directives. These are based on the fundamental principles of fair competition, non-discrimination and transparency and introduced a series of new elements to simplify and modernise public procurement. Also, the public procurement framework is still relatively new (only in force since 2007). In this context, BUSINESSEUROPE sees no pressing need for a revision. Efforts should instead concentrate on more uniform enforcement of the existing rules – legal certainty is essential.

I would now like to turn to the subjects of this panel: simplification of procurement procedures and better access to markets.

Concerning simplification, BUSINESSEUROPE urges the Commission to tread with caution. Above all, any attempts to simplify and provide for more flexibility in public procurement should not inflict competition and transparency problems. If done badly simplification could lead to less openness in the market and discriminatory behaviour, which would be detrimental to companies, especially SMEs. Furthermore, we call on the Commission to abstain from developing additional unnecessary legislation which would create confusion and be ineffective. With this I am particularly thinking about the Commission's heavy focus on the strategic use of public procurement in response to environmental and social goals. Let there be no misunderstanding about this: public authorities can indeed make an important contribution to these goals and we support this. However, the existing framework provides sufficient legal certainty on how to introduce environmental/social/innovative aspects in procurement procedures. Rather than changing the existing sound legislation, more should be done to implement it in practice!



Concerning better access to markets, BUSINESSEUROPE supports the purpose of the public procurement directives to open up the market for all economic operators, regardless of their size. SMEs are the backbone of the European economy, and facilitating their access to procurement opportunities can allow them to strengthen their competitiveness. In our view, the 2004 directives are adequate and provide a good basis to ensure a level playing field for SMEs bidding for public contracts. The problems that SMEs encounter when accessing public procurement opportunities are for the most part not linked to the legislation itself but relate instead to the excessive demands made by the public purchasers (e.g. disproportionate financial guarantees, references or certifications). Rather than changing the legislation, it is for the contracting authorities to promote concrete SME strategies (e.g. encouraging small enterprises to bid for contracts, divide contracts into lots where possible and so on).

There is another dimension to the topic of better access to markets and that is the international one. Here, BUSINESSEUROPE has some concerns with regard to the many markets in third countries that operate restrictive public procurement practices which exclude European companies. Whilst we strongly favour an open European market for trade, investment and procurement as a tool to boost our global competitiveness, it is essential that European companies operate under fair trading conditions with their non-European counterparts.

To conclude, BUSINESSEUROPE is supportive of the legislation in place. In our view if it's not broken, don't fix it. Although some improvements/adjustments can be made, a big overhaul of the legislation must be avoided at all costs. If we are really serious about improving public procurement in Europe, efforts should concentrate on enabling contracting authorities and companies to better understand the current legal framework and to trust each other better.

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