

The European Commission's Public Procurement Strategy: six strategic policy priorities

ALVYDAS STANCIKAS,
Head of DG GROW's Unit G3
"Procurement legislation and
enforcement"

Public Procurement Package

- 1) a **Communication on Public Procurement** - Commission's strategy for improving PP
- 2) a **Communication on a voluntary ex-ante mechanism** for large infrastructure projects (SMS)
- 3) a **Recommendation on professionalization** of public procurement to Member States
- 4) a **guidance document on procurement of innovation**

Key political messages

- **PP is a strategic area for policy makers.**
not just an administrative process, but an opportunity to deliver value for public money (14% of GDP!).
- **A partnership to improve the PP in practice.**
Beyond 2014 legal reform, improvement needs smart implementation of the new rules.
- **The Commission is ready to play its part.** We will develop a range of support tools, (guidelines, best practices) for authorities.
- **6 priority areas for improving PP in practice**

6 priority areas for improving PP

1) Wider uptake of strategic procurement

- 55% of tenders use lowest price only
- Boost green, social and innovative procurement through guidance and best practices
- Support for strategic sectors (IT, health, construction)

2) Professionalising public buyers

- Encourage Member States to develop professionalisation strategies
- Ensure buyers have the needed skills and competences
- Provide necessary tools and support

6 priority areas for improving PP

3) Increase access to procurement markets

- SMEs win only 45% of contracts
- Make PP more attractive for companies, also cross-border
- Open international procurement markets (IPI!)

4) Improving transparency, integrity, data

- Enable reporting of corruption
- protecting whistleblowers against retaliation
- More and better data, setting-up contract registers

6 priority areas for improving PP

5) Boosting the digital transformation of PP

- Legal obligation in October 2018, but real benefits if all steps of PP process are digitalised
- Roll-out of eProcurement is slow
- Continue to provide technical & financial support to MS

6) Cooperating to procure togetherPP

- More cooperation leads to better outcomes
- Only 11% of procedures through cooperative PP
- Joint procurement by multiple MS facilitated

Voluntary ex ante assessment mechanism



https://www.reddit.com/r/pics/comments/5t2h0v/in_germany_we_have_bridges_for_no_reason/

Voluntary ex ante assessment mechanism

- **What?**
 - A **helpdesk**, to clarify issues before the project is mature enough to be notifiable under the mechanism.
 - A **VOLUNTARY notification mechanism** intended to give reassurance to the promoters, once the project is mature enough, that their procurement procedures are in line with the EU rules.
 - an **information exchange mechanism** to learn from each other's experience with large infrastructure projects.

Ex ante assessment – what for?

Projects with high importance for a Member State or the internal market:

- 250 million for the helpdesk, and
- 500 million for the notification.

Sectors: mainly in transport, energy, non-residential constructions and ICT.



Recommendation On Professionalization

Facilitate uptake of professionalization policies in MS:

- *NOT to prescribe a specific model*

→ but provide **framework** of reference and **good practices**

Definition of Professionalization:

NOT to create a “profession”

→ but lead to the **overall improvement** of competences

A collaborative process:

→ Member States

→ IOs

→ across the Commission

Recommendations 1-2: Defining the architecture for professionalization of public procurement

Long term professionalization strategies :

- in **coordination** across policies (eGovernment), **inclusive**.
- **encouraging contracting authorities to professionalise**
- expertise and support of **CPBs, training institutions, etc.**

Recommendations 3-4-5: Support professionalisation of procurement officials

Getting the right people with the right set of skills

- defining the skills into **competence framework**
- **initial and lifelong training**, innovative or eLearning tools, cooperation with academia
- sound **human resources management**: recognition, career planning and motivational schemes

Recommendation 6-7-8-9: Develop systems, tools and lean methodologies to support professional procurement practice

Provide support for practitioners:

- **uptake of IT tools**, e-procurement, access to information
- data and **transparency for integrity** and fraud prevention
- tools for **strategic thinking**: templates, GPP criteria
- **technical assistance** via helpdesks, exchange of good practices, communities of practice

Follow Up: Commission tools and support

The Commission will provide support and tools:

- **e-Competence Centre for PP**
- **Good practices repository and exchange**
- **Trainings with EU added value (auditors, judges)**
- **European Competence Framework**

GUIDANCE ON PROCUREMENT OF INNOVATION

Benefits of PP of Innovation?

- Improving efficiency of public service
- Creating opportunities for innovative suppliers
- Helping the strategic aspects, such as green and social

Why Guidance?

- Calls from stakeholders for guidance
- Existing materials are either too brief or too specialised
- Linking **policy** with **legal tools** and practical **examples**

Guidance on Procurement of Innovation

Content

- Importance of PPI
- How to develop policy for PPI
- How to attract innovators
- How to attract innovation
- How to use innovation friendly tools from Directive

Thank you very much for your attention

