

E U R O P E A N E C O N O M I C A R E A
FORUM OF LOCAL AND REGIONAL AUTHORITIES

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THIRD MEETING OF THE EEA EFTA FORUM

Hamar
31 May and 1 June 2011

Final

Opinion on modernisation of EU public procurement policy

Rapporteur: Anita Orlund

The EEA EFTA Forum of Local and Regional Authorities:

- A. noting European Commission's *Green Paper on the modernisation of EU public procurement policy: Towards a more efficient European procurement market* and supporting the opinion of Committee of the Regions on this paper; agreeing in particular with the need for a general simplification of the policy;
- B. noting the role of the Forum as a body in the EFTA structure;
- C. acknowledging the impact of EU regulation on local and regional authorities in the EEA EFTA States through the EEA-agreement;
- D. emphasises that local and regional authorities of the EEA EFTA countries face several challenges different to those of local authorities in the European Union. This is particularly the case for Iceland and Norway due to their sparse population, geographical location and topography with mountains, valleys and fjords separating towns, cities and villages.
 - 1. calls for a real reform of the procurement regime, bringing the policy back to its original objective: to ensure value for money;
 - 2. recommends that a simple mechanism be introduced for contracting authorities to change preliminary contracts, such as an official corrigendum with a short extension of the deadline for submission of tenders;
 - 3. is of the view that the existing provisions on adjustments should be relaxed;
 - 4. welcomes the possibility for contracting authorities to realise strategic objectives relating to e.g. environmental protection, social inclusion, accessibility criteria for people with disabilities and innovation through public procurement, but;

5. stresses that addressing policy goals such as environmental or social issues via public procurement, must remain entirely voluntary and be left to the local or regional authority to determine;
6. underlines that in order to address specific local challenges such as creating markets or upholding competition in existing ones, municipalities and counties need flexibility to choose a fitting model to organize the provision of their services
7. stresses that granting an exclusive right to a public law body, in order to carry out a public task, is part of local self-governance and should not be subject to procurement rules;
8. is of the view that simplification of the public procurement rules is a pre-requisite for making it possible for small and medium size enterprises to compete for public contracts. Simplified rules will also help SME's access regional markets as well as cross border markets;
9. calls for the thresholds to be increased to a level which makes bidding across borders commercially viable;
10. underlines the need for contracting authorities to have means to take into account previous unfavourable experience with operators;
11. emphasises that the distinction between "A and B-services" should be upheld with the option to add other services to the B-list:
12. emphasises the importance of securing the possibility for public-public cooperation partnership without applying the public procurement rules, as inter-municipal cooperation will be an essential tool in implementing the recent and planned transferral of services from the state to the municipalities in Iceland, and the decentralisation of important part of the hospital services from the state to the municipalities in Norway;
13. believes the increasing awareness of the environmental and climate impact of products and activities requires consideration on the possibility to favour local suppliers and to what extent sustainability considerations can prevail in internal market rules;
14. urges the national authorities of the EEA EFTA countries to avoid gold-plating when transposing EU directives into national law.