



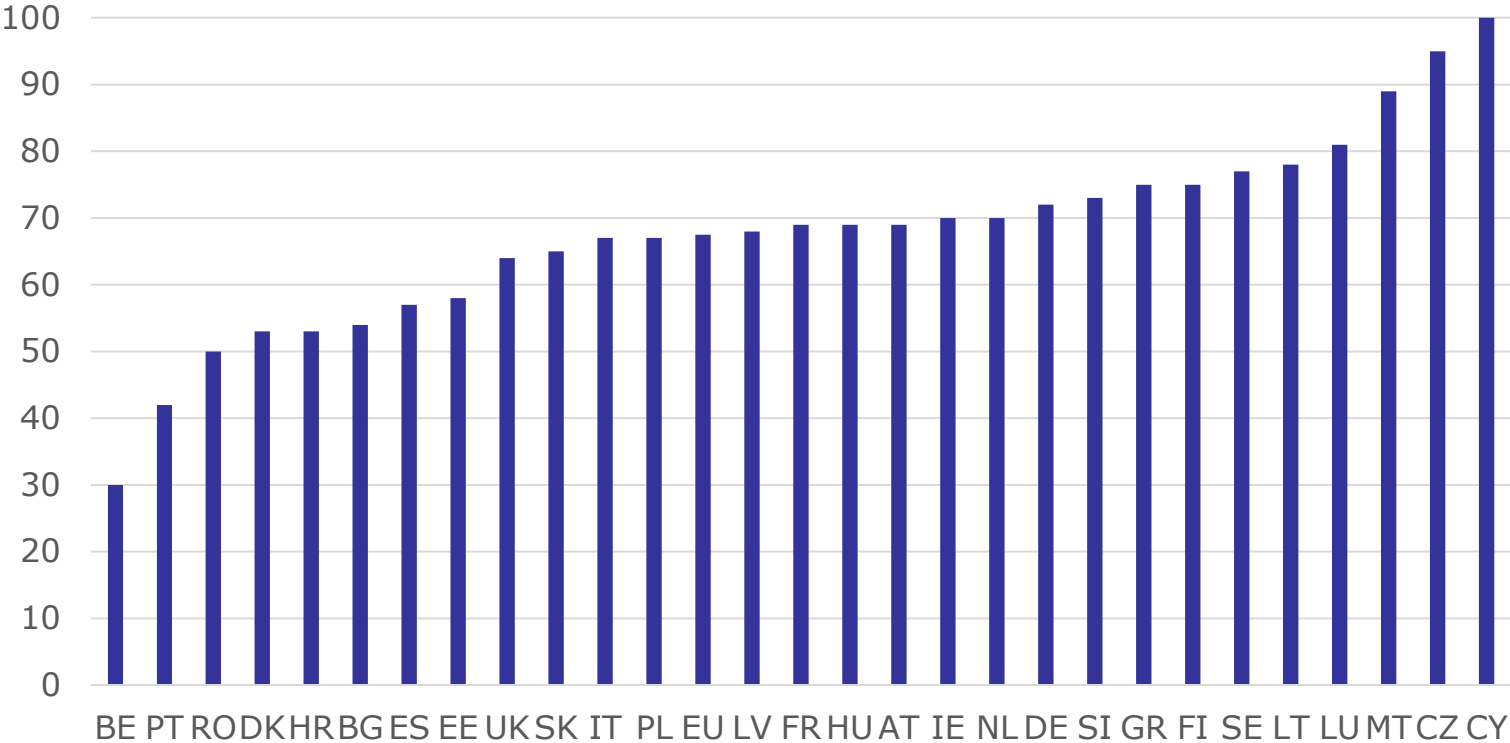
Public Procurement in the European Union: Non-Discriminatory Participation of SMEs

EU-Brazil Expert Workshop on Good Practice in Public Procurement
Brasilia, 3 April 2019

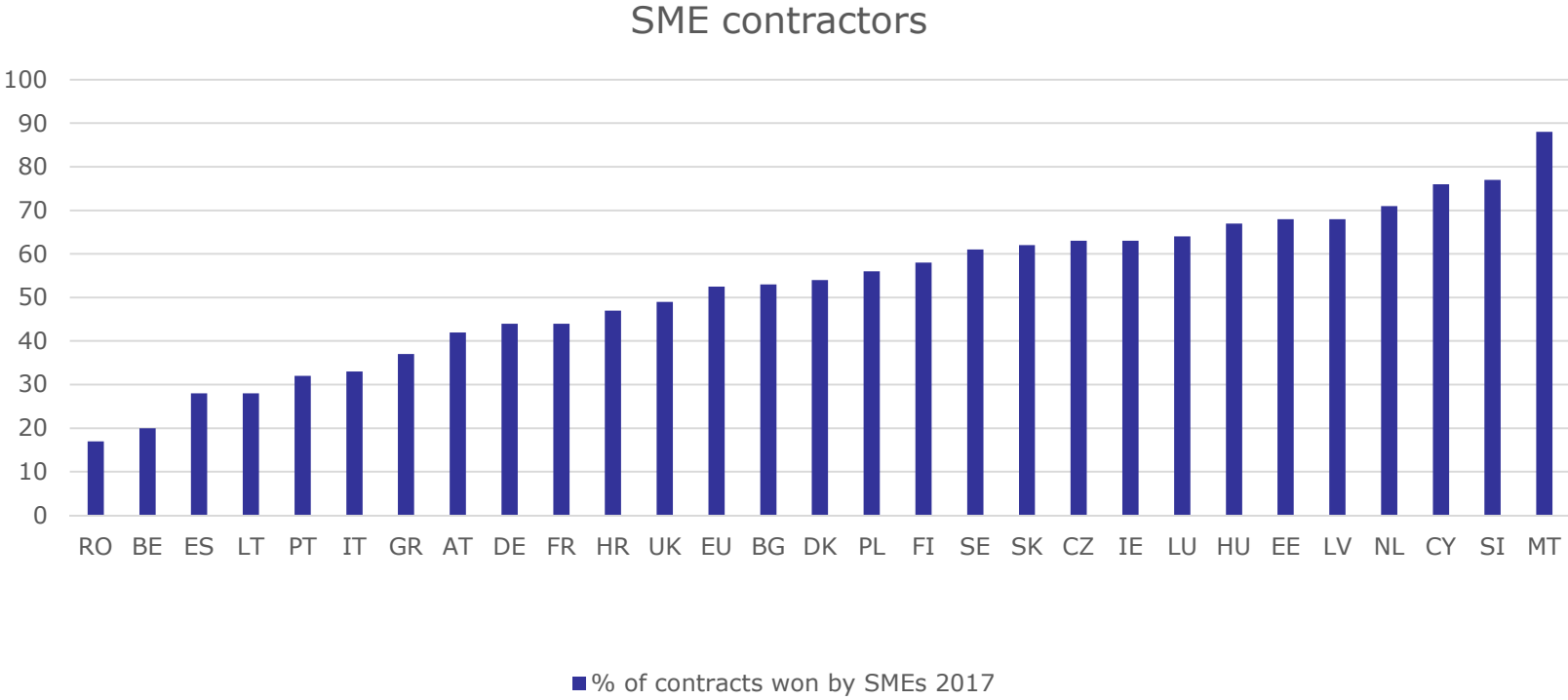
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SME participation in public procurement

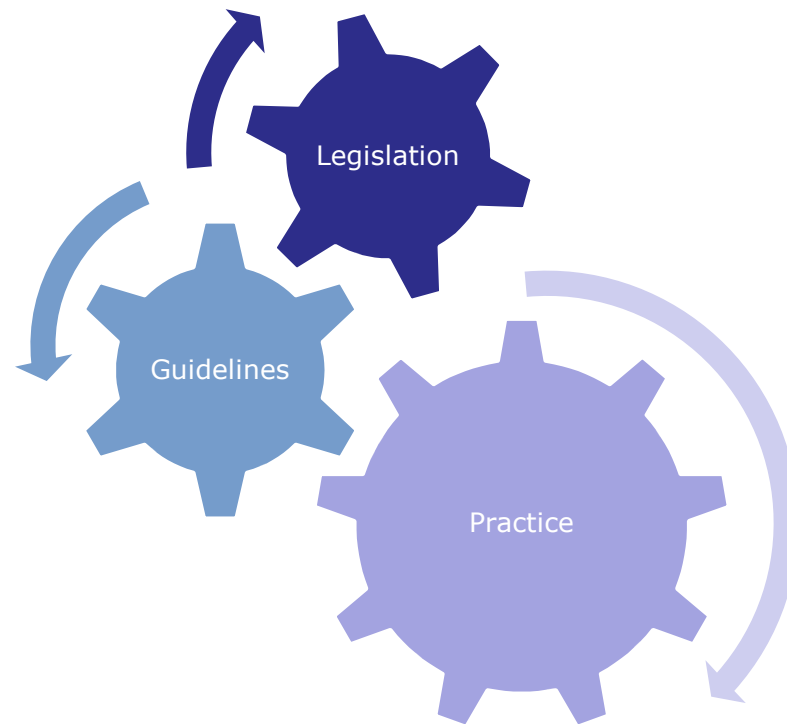
Proportion of bids from SMEs 2017



SME participation in public procurement



Measures to enhance the access of small and medium-sized enterprises to public contracts



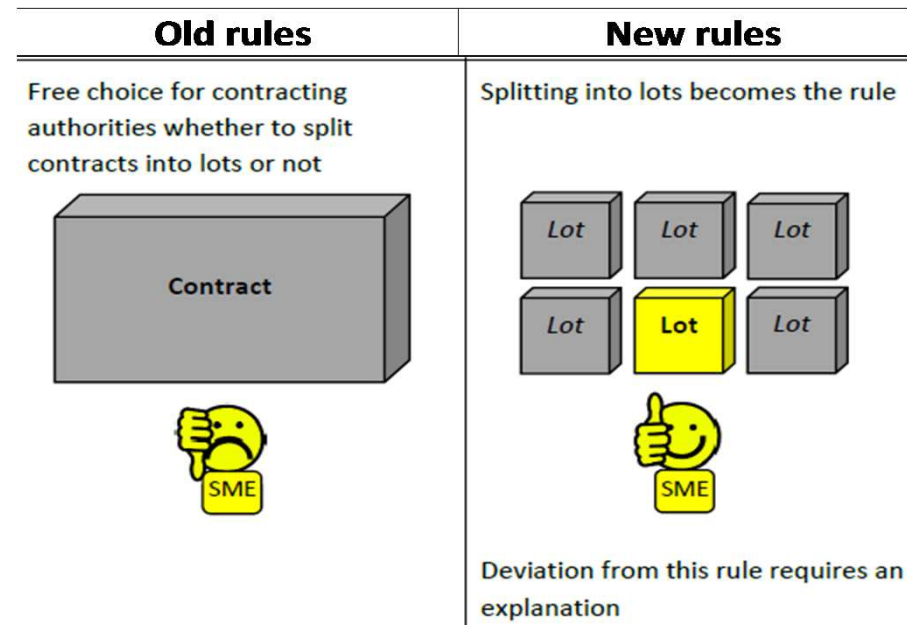
Better access for SMEs: key dimensions

- 1. Division of contracts into lots**
- 2. Turnover cap**
- 3. Reduction of administrative burden**



Division of contracts into lots

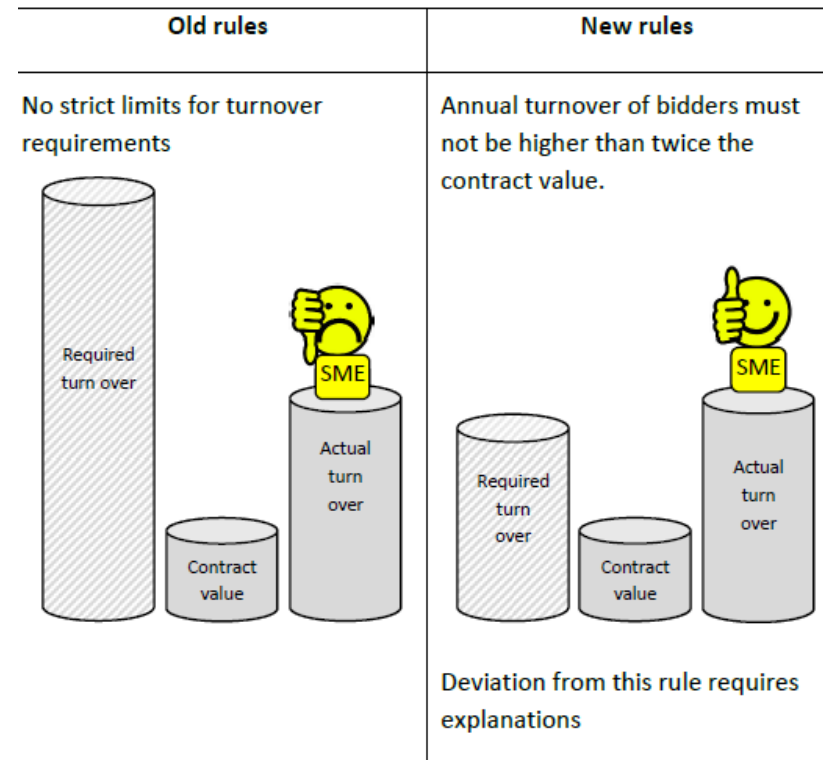
- Facilitates access by SMEs quantitatively (size of lots may better correspond to SME's productive capacity) and qualitatively (content of lots may correspond more closely to SME's specialised sector).



- “Apply or explain” principle:** need for contracting authorities to explain their choice not to divide a contract into lots

Limitation of the turnover required to participate in a tender procedure

Contracting authorities should accept all bidders with an adequate financial status for the contract. The required annual turnover should normally not be higher than twice the contract value.






Reduction of administrative burden

Bidders may prove their suitability, financial status and abilities with **self-declarations** instead of providing full documentary evidence

Standard declaration form:

European Single Procurement Document

	Old rules	New rules
<u>At the start</u> of a procurement procedure	<u>All bidders:</u> full documentary evidence Overall burden: high 	<u>All bidders:</u> European Single Procurement document (standard self-declaration form) Overall burden: low 
<u>At the end</u> of a procurement procedure	---	<u>Winning bidder:</u> full documentary evidence or link to national databases Overall burden: low 

Other SME-friendly provisions

- E-procurement
- Use of Best Price-Quality Ratio

Other measures:

- Guidelines, helpdesks, awareness raising actions, professionalisation, etc.

SMEs in the WTO

Government Procurement Agreement

GPA objective: to ensure non-discriminatory, transparent and open international competition

Provisions on national treatment and non-discrimination (subject to limitations in coverage):

- Treatment of other Parties' goods and suppliers "no less favorable than" than domestic products and suppliers
- Non-discrimination against locally-based suppliers with foreign affiliation

SMEs in the WTO

Government Procurement Agreement

DECISION OF THE COMMITTEE ON GOVERNMENT PROCUREMENT ON A WORK PROGRAMME ON SMEs

- Recognises the importance of facilitating the participation of SMEs in government procurement; and
- Recognises that Parties have agreed to seek to avoid introducing or continuing discriminatory measures that distort open procurement.
- Sets certain actions:
 - Avoidance of discriminatory SME measures
 - Transparency programme and SME survey
 - Assessment of the results of SME survey and implementation of its outcome
 - Review

SMEs in the WTO

Government Procurement Agreement

DECISION OF THE COMMITTEE ON GOVERNMENT PROCUREMENT ON A
WORK PROGRAMME ON SMEs

- The survey was conducted and the replies were analysed;
- The parties are currently working on a list of practices for promoting and facilitating the participation of SMEs in government procurement.

Thank you!

Dr. Daniel W. Bloemers

European Commission

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"Access to Procurement Markets"