



EU manufacturers call for urgent reforms to achieve reciprocity and a level-playing field in public procurement

Brussels, 30 September 2019 – Amidst discussions on the International Procurement Instrument (IPI) relaunched in Council and the hearings of Commissioners-designate taking place this week, AEGIS Europe, the industry alliance representing more than 20 key industries, today urged the EU to take a stronger stance on reciprocity and other reforms needed in the field of public procurement.

Although the EU public procurement market for goods and services is transparent and open to foreign bidders, third countries are increasingly restricting access to their markets while their companies are winning significant contracts abroad, including in Europe.

“There is a blatant lack of level-playing field for European manufacturers, explained Inès Van Lierde, Chair of AEGIS Europe. European companies face an increasing number of barriers when trying to access third country procurement markets – from discriminating requirements to lack of transparency and precluding procurement procedures. On the other hand, competition within the EU is fierce and increasingly based on strategic underbidding from subsidised State-owned companies and government financing. This situation is not fair and poses a threat to EU jobs and growth in many sectors that play a key role in innovation, growth and the future viability of Europe’s economy.”

Today, AEGIS Europe calls on a more strategic approach to the EU procurement framework and the identification and removal of obstacles that impede a level-playing field between European companies and their competitors from third countries. In particular, actions should be taken to tackle abnormally low tenders, strengthen contract award criteria, address non-compliance with EU rules and standards and further promote provisions related to tenders comprising products originating in third countries.

Furthermore, the European Union should beef up its strategy to remove public procurement-related barriers faced by European companies on international markets. This should especially include an ambitious ‘International Procurement Instrument’ providing real leverage to push third countries to open their markets.

Finally, long-term financing for EU manufacturers under fair and transparent conditions are crucial given that global competition within many industrial sectors is very often driven by access to finance. Therefore, a level-playing field in financing conditions (use of State-supported Export Credits, strengthening of EU long-term financing tools, introduction of due diligence requirements...) must be ensured to stimulate global fair competition. In addition, EU public funding tools should promote projects of real European added value, especially in terms of EU employment, investments and sustainability standards.

