

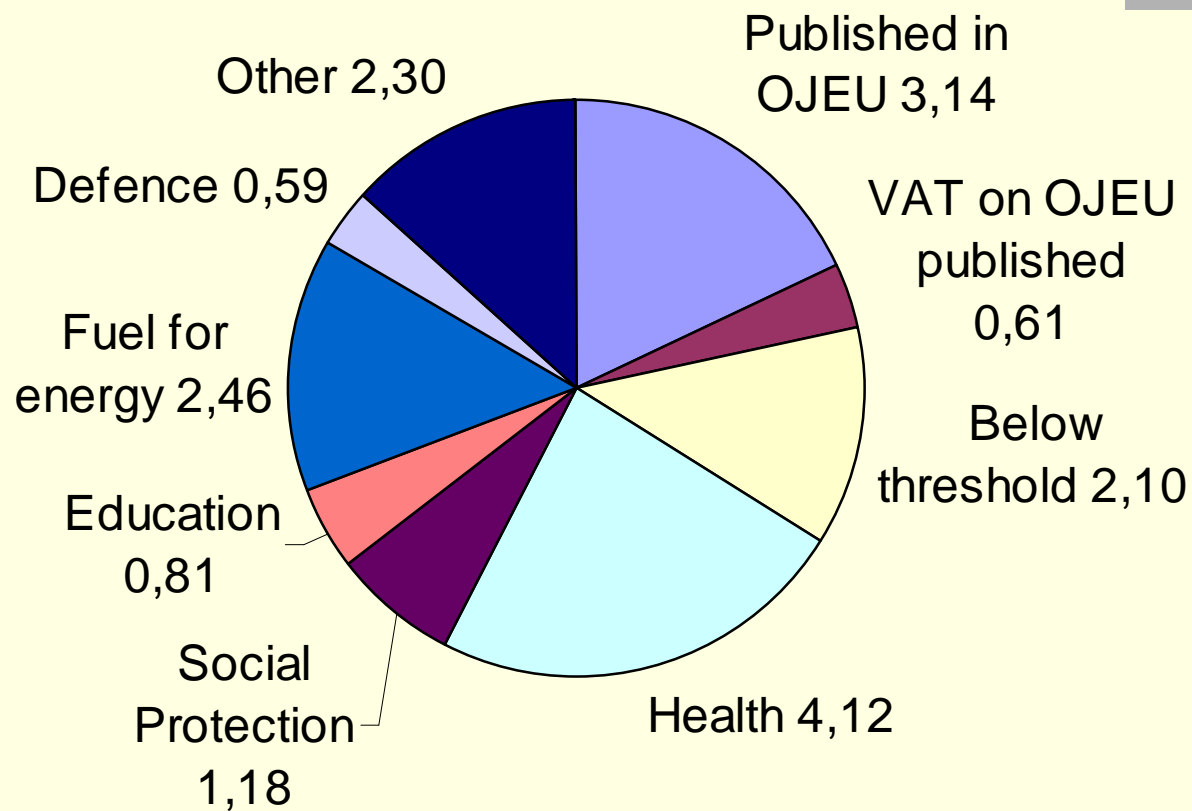


Evaluation of public procurement Directives

**High Level Group of Independent
Stakeholders on Administrative Burdens**

Thursday 14 July 2011

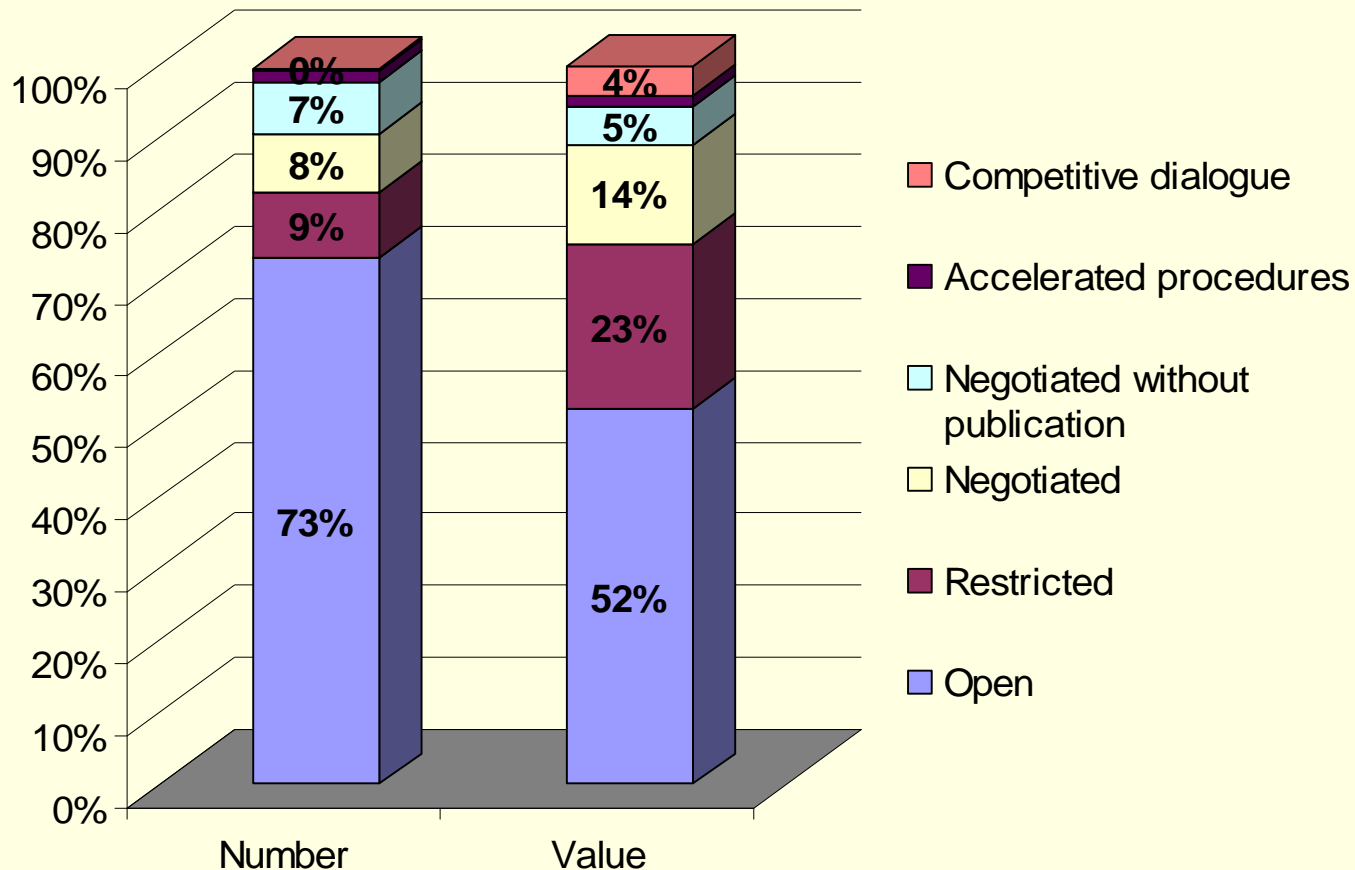
Total public expenditure



Eurostat and Commission estimates

As % EU GDP (2008)

Use of procedures

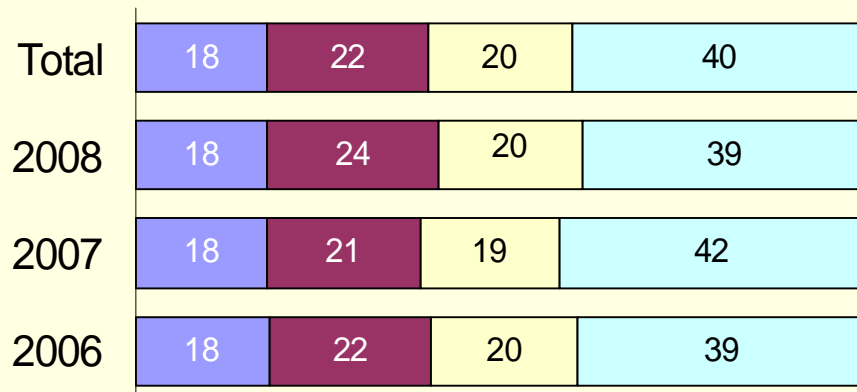


Pwc, London Economics, Ecorys from OJEU data

2006-2010

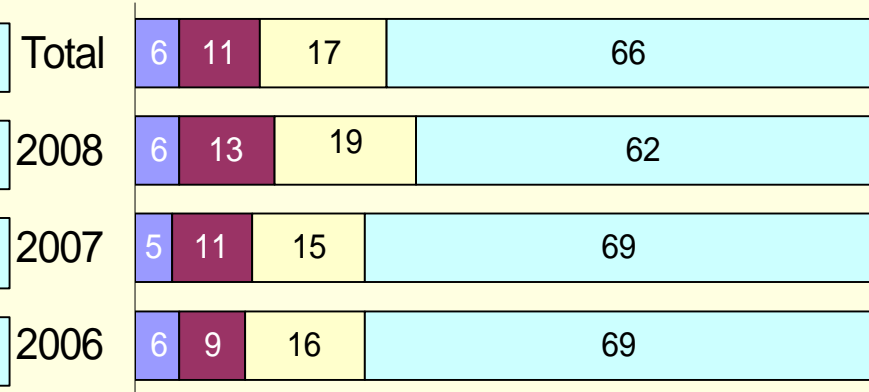
SME access and success

By Number of contracts



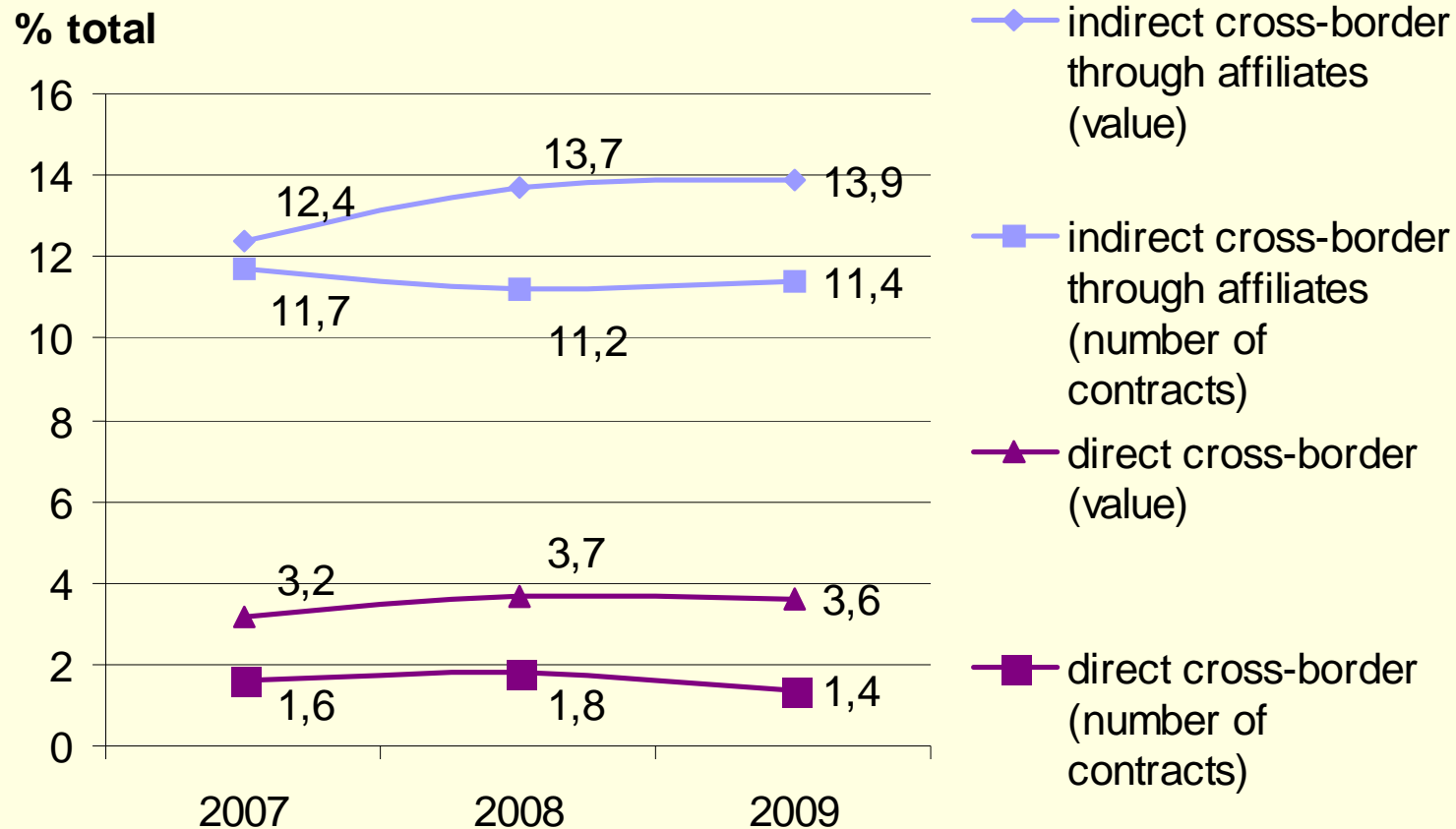
Micro Small Medium Large

By value of contracts



Micro Small Medium Large

Cross border procurement

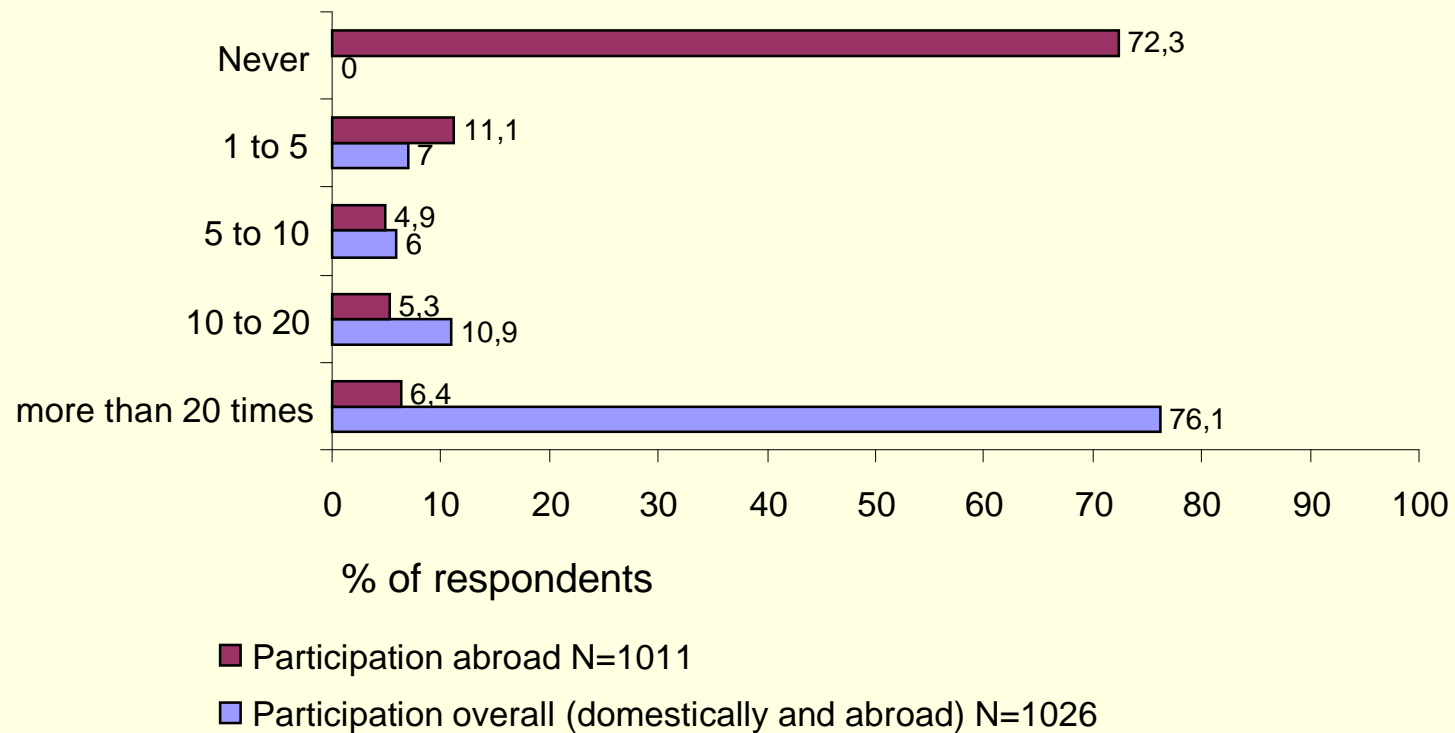


Ramboll

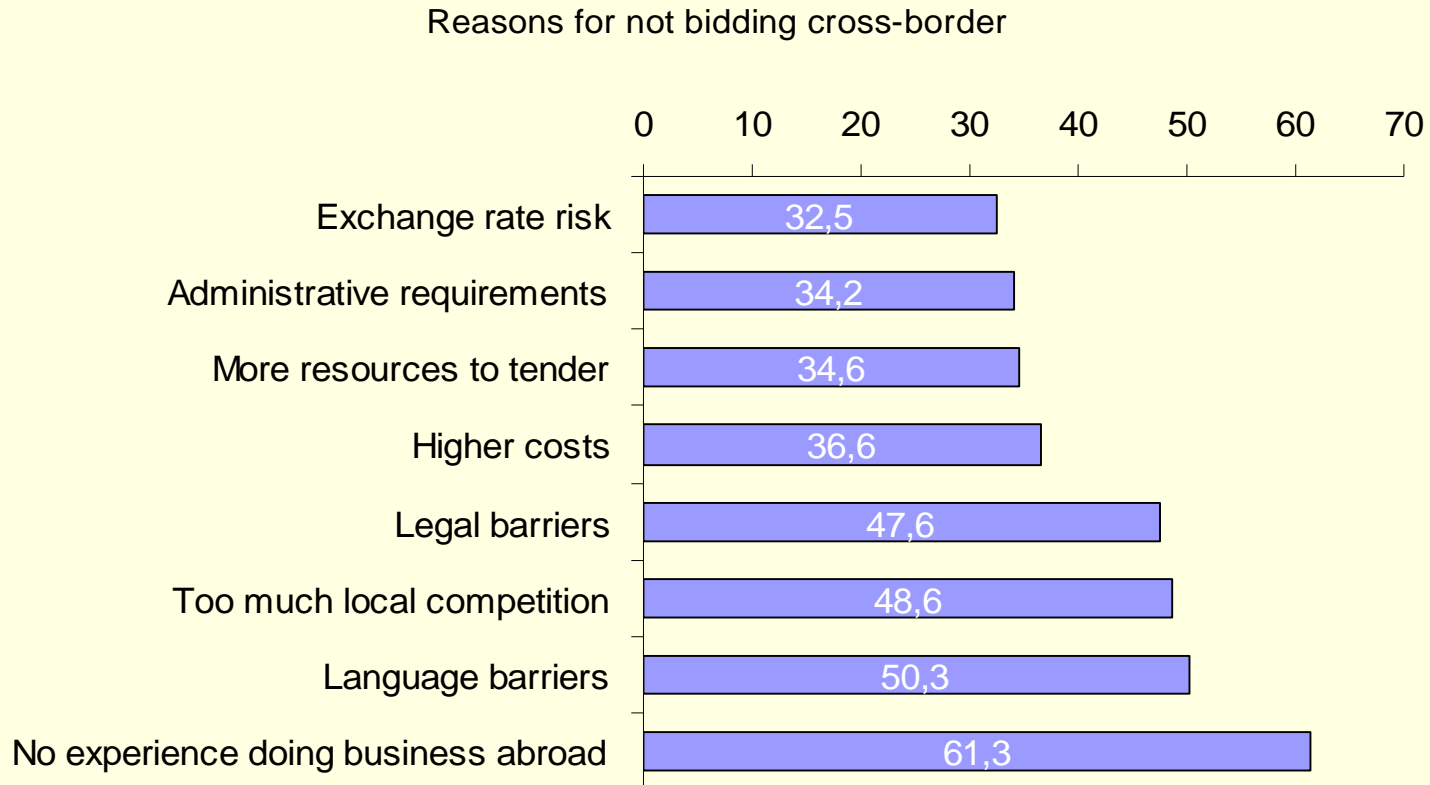
as % of total (above threshold) procurement

Cross border participation

How often did your company participate in public procurement tenders (domestically and abroad) in the last three years?



Reasons for not bidding cross border

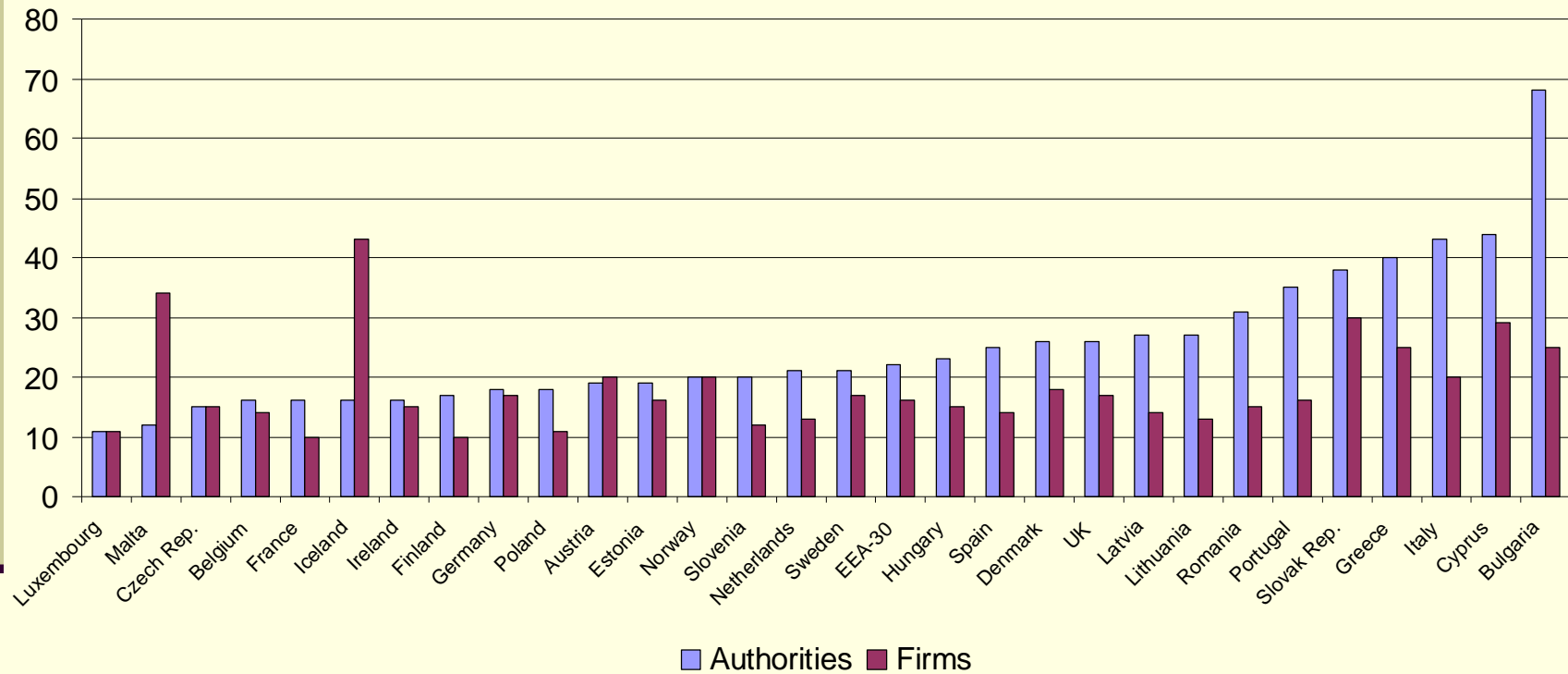


Total cost of procedures

- n Average cost per procedure €28 000
- n €22 500 - cost of average 5 – 6 bids
- n €5 500 contracting authority costs

- n Total Costs €5.3 billion
- n Less than 1.3% of total contract value

Average person days for procedure



Pwc, London Economics, Ecorys from OJEU data

2006-2010

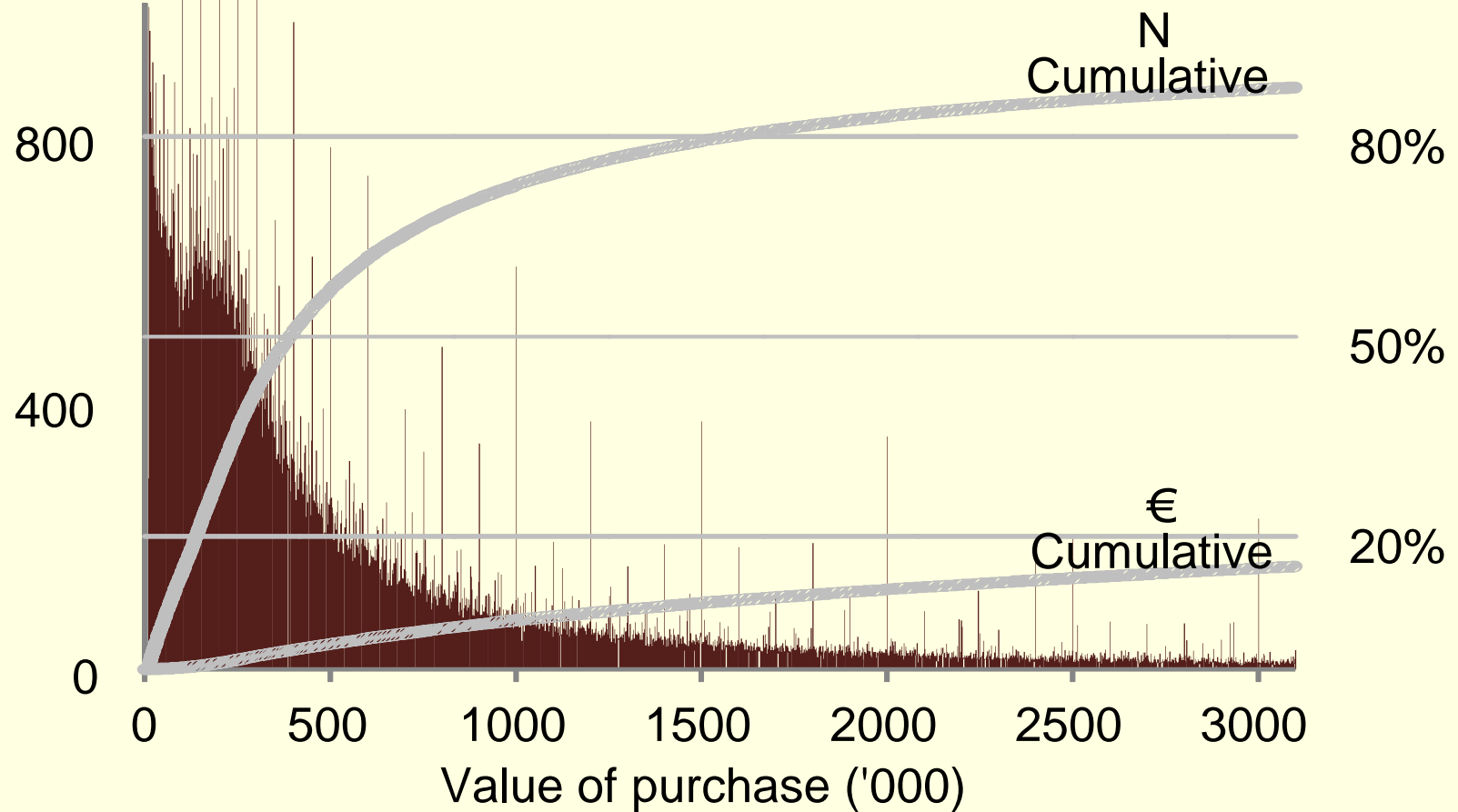
Person-days required

	Best performer	Worst performer	Difference
Authorities	11	68	57
Firm	10	43	33
Authorities and winning firm combined	22	93	71

Savings

- n Econometric model
- n Save 1% on the final contract value if contract notice advertised
- n further 3 % if open procedure
or 1.1 % if restricted procedure
- n Total 2.1 - 4 per cent compared with the initial estimate.

Frequency of contract values



PwC, London Economics, Ecorys

Evaluation: main findings

- n Effectiveness
- n Relevance
- n Efficiency
- n Consistency with other policies
- n EU added value

Effectiveness

- n Transparency
- n Competition
- n Savings
- n Cross border
- n Differences in implementation

Relevance

- n Value for money
- n CPB's and Frameworks
- n Equal treatment
- n Non discrimination

Efficiency

- n Positive cost benefit analysis
- n Compliance costs
- n Difference across MS
- n Unintended consequences

Consistency with other Policies

- n Green public procurement
- n Socially responsible
- n Innovation
- n Lack of monitoring
- n Different requirements, standards, labels...

EU Added Value

- n Single Market
- n Coordination
- n Still large differences in implementation

Evaluation: overall conclusion

- n Savings outweigh costs
- n Scope for improving balance of costs and benefits particularly for small contracts
- n Potential for more cross border procurement