European Commission
DIRECTORATE-GENERAL Employment, Social Affairs and Inclusion

Awareness raising and networking activities on the Guide for Social Consideration in Public Procurement

Service Contract N° VC/2011/0062

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BERNARD BRUNHES INTERNATIONAL
BPI group

Presentation

Monitoring of contracts

Strategy for SRPP

- Establish a strategy
  - Action plan or task force
- High-level political commitment - Leadership key issue
  - Legal provisions
  - Risk assessment and prioritising
  - Professional capacity, knowledge and resources
  - Exchange of good practice
  - Involvement of stakeholders

Implementation of SRPP

- Measure effective implementation
  - Use existing reporting systems and link to internal audit procedures
  - External measures by independent auditors.
  - Include sanctions for non-compliance in contracts
  - Make the outcome of the audits available to the general public

Strategy for monitoring

- See review of contracts in a broad perspective
  - Contribution to the authorities targets in general
- Lack of review can cause:
  - Cost advantages for suppliers who may not fulfill the contract conditions; unfair competition
  - Delivery failure, lower quality and problems in providing public service
  - Higher incidence of legal challenges from excluded suppliers

Strategy for monitoring

- Define when, who and how the contracts will be monitored – in the most cost efficient way
- Define what should be monitored
  - Exclusion criteria
  - Deliveries (price, quality, etc.)
  - Contract clauses
- Define (in the contract) what is required by:
  - The contracting authority
  - The contractors
  - The subcontractors

Strategy for monitoring- *questions*

- Consider how to monitor and the implications of the choice (the cost, what is most effective, who will carry burden etc.)
  - Third party audit appointed by the contractor?
  - Third party audit appointed by the contracting authority?
  - Self-assessment by the contractor?
  - Third party certification?
  - The contracting authority conducts a site inspection?
  - Briefings on regular basis between contractors and contracting authority?

Strategy for monitoring- *questions*

- Consider alternatives:
  - *Rewarding suppliers*
    - financial incentives for exceeding basic targets (bonus)
  - *Addressing underperformance*
    - financial disincentives for poor performance

Thank you
for your attendance!