



Procurement opportunities for social enterprises under the new EU procurement rules

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Heraklion, June 2014

Overview

I. The new EU rules:

- More opportunities to buy social
- Public contracts can be reserved
- More possibilities for SMEs in general
- Simpler, more flexible rules
- Innovation partnerships

II. Making the rules work in practice

More opportunities to 'buy social'

- Freedom to decide "what to buy";
- But public authorities can:
 - Impose conditions as regards the 'production process' for goods & services (e.g., involvement of unemployed, disadvantages people), as a technical specification or as an award criterion;
 - Impose accessibility/design-for-all requirements;
 - Take account of the 'total lifecycle cost' of the goods & services bought (e.g., goods with low carbon footprint)
 - Require 'fair trade' labels

Public contracts can be reserved

- For **sheltered employment undertakings**, whose main aim is the social and professional integration of disabled and or otherwise disadvantaged persons (provided they makes up more than 30% of staff);
- Contracts for certain **health, social and cultural services** can be reserved for non-profit undertakings pursuing a public service mission & organised on the basis of participation, with a maximum duration of three years.

More possibilities for SMEs in general

New rules facilitate the participation of SMEs, by

- Encouraging public authorities to split large contracts into smaller subcontracts (they must be able to explain the reasons for not doing so);
- Simplifying the documentation requirements;
- Capping the minimum turn-over requirement (maximum 2 times the estimated value of the contract).

Simpler, more flexible rules

- Less paperwork (new single European document for public procurement, support documents only required from successful tenderer);
- Greater freedom to negotiate (less cumbersome procedures);
- Simplified publication requirements for regional and local authorities);
- Greater possibilities for accepting variants.

Innovation

- New procedure for the purchase of innovative products and services (the 'innovation partnership'):
 - Combined contract award (research services for the development of an innovative product, and supply contract), with competition phase at the start;
 - At each stage the public authority has the possibility to end the partnership

Making the rules work in practice

- 2014 – in-depth transposition assistance (discussions in the MS Expert Group)
- MS have various 'options' however – so implementation can vary across MS
- 2015: SWP offering guidance on social procurement
- On-going projects to provide assistance in social procurement (sometimes supported by EU funding)

Need further information?

[http://ec.europa.eu/internal_market/
publicprocurement/index_en.htm](http://ec.europa.eu/internal_market/publicprocurement/index_en.htm)