

# Teach SMEs how to tender

## Summary

SME participation in public procurement has improved over time but still not reached desired levels.<sup>1</sup> Small firms are discouraged from tendering for public contracts because of barriers such as lack of awareness of contract opportunities and complex processes.<sup>2</sup>

A number of measures have been identified at EU level to tackle the barriers SMEs face on the one hand, and, on the other – to support SMEs directly by promoting knowledge about calls, improving dialogue with procurers and developing tendering skills by means of dedicated training programmes.

Indeed, free training and advisory services, e.g. on changes introduced by new legislation, e-procurement systems, proposal development, etc. for SMEs are crucial to increase their participation in public tenders. General and targeted public procurement training courses for SMEs bring about a range of positive outcomes:

- SMEs are better prepared to participate in public procurement;
- A higher number of SMEs take part in public procurement, which fosters the local economy; and at the same time;
- Procurers are better aware of the specificities of SMEs.

## Key success factors and potential pitfalls

### Make training accessible

Offering training for free, at multiple locations and with the support of SME representatives as trainers would greatly enhance its impact and boost attendance rates.

### Offer applied advice and insight from practitioners

It is important to focus on practical skills tailored to SME needs for being successful at tendering. The role of experienced bid specialists is key in this regard.

## Related Good Practices

Credentials for procurement professionals

## Good Practice Examples

- ✓ Ireland
- ✓ Italy



## Impact

### Increase competition



Greater involvement of SMEs in public procurement results in increased competition for public contracts.

## Input

### Cost – €€

- Low set-up cost
- Medium operations cost



### Time – 6 to 12 months



### Complexity – Low

Active participation of SMEs, need for specific expertise and staff



## Case Studies (1)

### Italy – Consip<sup>3</sup>

Italy has set up over 260 SME public procurement training desks (“*Sportelli in Rete*” in Italian) within 11 supplier associations across the country. The training desks provide training to local SMEs on the use of e-procurement tools. Consip (the central purchasing body) experts train association staff who subsequently train local SMEs free of charge. The initiative has been popular and training attendance high. Procurement training desks have a fundamental role as reference institutions recognised by local enterprises. Approximately 60,000 SMEs are now suppliers to the public e-marketplace for low-value purchases, also thanks to the training received by the procurement training desk. The practice has also changed the perception of Consip, which is increasingly seen as fostering business opportunities in a competitive and transparent environment.

## Case Studies (2)

### Ireland – Go-2-Tender Training Scheme for SMEs<sup>4</sup>

InterTradelreland, an agency funded by the Department of Business Enterprise and Innovation in Ireland (DBEI) and the Department for the Economy, provides a number of services to businesses with the goal of enhancing growth opportunities, innovation and competitiveness. It is recognised as a service provider to SMEs specifically, helping them compete in procurement markets.

The main service in this regard is the Go-2-Tender training scheme – a two-day practical tendering workshop designed for an SME audience, which covers key aspects of procurement. During the seminar, SMEs are taught theory and practical skills to enable them to be successful at tendering, such as identifying opportunities, registering on procurement portals, taking bid/no bid decisions, as well as drafting successful proposals. To participate, companies must meet a number of eligibility criteria, such as being classified as an SME, operating in the manufacturing or tradable services sectors and ability to demonstrate export potential. The workshops are conducted by experienced tender specialists and give insight into the procurement practices of public sector bodies in Ireland. Guest speakers from central government and large public procurement organisations are also invited. Half a day of the workshop is dedicated to mentoring sessions around topics of interest proposed by the participants. Workshops are offered in various locations and participation fees of EUR 100 apply. In 2016, seven workshops were held across the country and approximately that many are planned for 2017. Participants can also apply for a follow-up workshop once they have concluded the first Go-2-Tender seminar. Since the programme was introduced in 2007, over 900 companies have completed the workshop and were able to win procurement contracts worth GBP 60/EUR 69 million.<sup>5</sup>

In addition, InterTradelreland organises practical half day seminars aimed specifically at small business owners who are new to public sector tendering, have limited knowledge or experience of the market or simply want to refresh their knowledge of the public sector on the island. Targeting the micro sector (<10 employees), these seminars focus on low value opportunities. InterTradelreland also arranges Meet the Buyer events, where SMEs have the opportunity to meet public sector buyers face-to-face. Finally, the agency offers FAQs, guides, videos and presentations as well as dedicated events on emerging trends that impact the procurement framework for SMEs.



<b>Central Purchasing Body, Italy</b> <a href="http://www.consip.it/">http://www.consip.it/</a> +39 6 854491 <a href="mailto:postaconsip@postacert.consip.it">postaconsip@postacert.consip.it</a>	<b>InterTradelreland, Ireland</b> <a href="http://www.intertradeireland.com/">http://www.intertradeireland.com/</a> +353 28 3083 4100 <a href="mailto:info@intertradeireland.com">info@intertradeireland.com</a>
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<sup>1</sup> European Commission, "Call for Proposals Improving SMEs' access to public procurement" (2016), see: [https://ec.europa.eu/easme/sites/easme-site/files/documents/improving\\_smes\\_access\\_to\\_public\\_procurement.pdf](https://ec.europa.eu/easme/sites/easme-site/files/documents/improving_smes_access_to_public_procurement.pdf)

<sup>2</sup> Department of Enterprise, "Trade and Employment, Report of the Procurement Innovation Group" (2009), see:

<http://etenders.gov.ie/Media/Default/SiteContent/LegislationGuides/Report%20of%20the%20Procurement%20Innovation%20Group.pdf>

<sup>3</sup> OECD, "Supplier Training Desk(STD) in Italy" (2016), see: <https://www.oecd.org/governance/procurement/toolbox/search/supplier-training-desks-std-str-italy.pdf>

<sup>4</sup> See: <http://www.intertradeireland.com/go-2-tender/>

<sup>5</sup> DG REGIO, "Stock-taking of administrative capacity, systems and practices across the EU to ensure the compliance and quality of public procurement involving European Structural and Investment (ESI) Funds" (2016)