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Public procurement

European Parliament resolution of 9 September 2025 on public procurement (2024/2103(INI))

(C/2026/1470)

The European Parliament,

— having regard to the Treaty on European Union, in particular Article 3(3) thereof,

— having regard to the Treaty on the Functioning of the European Union, in particular Articles 114, 151 and 156 thereof,

— having regard to Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC ([1]),

— having regard to Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC ([2]),

— having regard to Directive 2007/66/EC of the European Parliament and of the Council of 11 December 2007 amending Council Directives 89/665/EEC and 92/13/EEC with regard to improving the effectiveness of review procedures concerning the award of public contracts ([3]) (Remedies Directive),

— having regard to Regulation (EU) 2022/1031 of the European Parliament and of the Council of 23 June 2022 on the access of third-country economic operators, goods and services to the Union's public procurement and concession markets and procedures supporting negotiations on access of Union economic operators, goods and services to the public procurement and concession markets of third countries (International Procurement Instrument – IPI) ([4]),

— having regard to Directive (EU) 2019/882 of the European Parliament and of the Council of 17 April 2019 on the accessibility requirements for products and services (the European Accessibility Act) ([5]) and Directive (EU) 2016/2102 of the European Parliament and of the Council of 26 October 2016 on the accessibility of the websites and mobile applications of public sector bodies (the Web Accessibility Directive) ([6]),

— having regard to the judgment of the Court of Justice of the European Union (CJEU) of 30 January 2020 in Case C-395/18, *Tim SpA – Direzione e coordinamento Vivendi SA* v *Consip SpA, Ministero dell'Economia e delle Finanze* ([7]),

— having regard to the recent judgments of the CJEU on the participation of foreign bidders in EU public procurement procedures, namely the judgments of 22 October 2024 in Case C-652/22, *Kolin Inşaat Turizm Sanayi ve Ticaret AŞ* v *Državna komisija za kontrolu postupaka javne nabave* ([8]) and of 13 March 2025 in Case C-266/22, *CRRC Qingdao Sifang Co. Ltd, Astra Vagoane Călători SA* v *Autoritatea pentru Reformă Feroviară, Alstom Ferroviaria SpA* ([9]),

([1]) OJ L 94, 28.3.2014, p. 65, ELI: http://data.europa.eu/eli/dir/2014/24/oj.
([2]) OJ L 94, 28.3.2014, p. 243, ELI: http://data.europa.eu/eli/dir/2014/25/oj.
([3]) OJ L 335, 20.12.2007, p. 31, ELI: http://data.europa.eu/eli/dir/2007/66/oj.
([4]) OJ L 173, 30.6.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/1031/oj.
([5]) OJ L 151, 7.6.2019, p. 70, ELI: http://data.europa.eu/eli/dir/2019/882/oj.
([6]) OJ L 327, 2.12.2016, p. 1, ELI: http://data.europa.eu/eli/dir/2016/2102/oj.
([7]) Judgment of the Court of Justice of 30 January 2020, *Tim SpA – Direzione e coordinamento Vivendi SA* v *Consip SpA, Ministero dell'Economia e delle Finanze*, C-395/18, ECLI:EU:C:2020:58.
([8]) Judgment of the Court of Justice of 22 October 2024, *Kolin Inşaat Turizm Sanayi ve Ticaret AŞ* v *Državna komisija za kontrolu postupaka javne nabave*, C-652/22, ECLI:EU:C:2024:910.
([9]) Judgment of the Court of Justice of 13 March 2025, *CRRC Qingdao Sifang Co. Ltd, Astra Vagoane Călători SA* v *Autoritatea pentru Reformă Feroviară, Alstom Ferroviaria SpA*, C-266/22, ECLI:EU:C:2025:178.

— having regard to the World Trade Organization's Agreement on Government Procurement 2012,

— having regard to the Commission work programme 2025 of 11 February 2025 entitled 'Moving forward together: A Bolder, Simpler, Faster Union' (COM(2025)0045),

— having regard to the Commission communication of 26 February 2025 entitled 'The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation' (COM(2025)0085),

— having regard to the Commission communication of 29 January 2025 entitled 'A Competitiveness Compass for the EU' (COM(2025)0030),

— having regard to the Commission communication of 19 June 2024 entitled '2024 European Semester – Spring Package' (COM(2024)0600),

— having regard to the Commission report entitled 'SME needs analysis in Public Procurement' (2021) ([10]),

— having regard to the Commission communication of 9 December 2021 entitled 'Building an economy that works for people: an action plan for the social economy' (COM(2021)0778),

— having regard to International Labour Organization convention C94 of 1949 on Labour Clauses (Public Contracts),

— having regard to the Commission communication of 3 October 2017 entitled 'Making Public Procurement work in and for Europe' (COM(2017)0572),

— having regard to the opinion of the European Committee of the Regions of 4 December 2024 entitled 'Shock-proofing European regions: Strengthening local and regional economic resilience in the strategic evolution of the Single Market' ([11]),

— having regard to the European Court of Auditors' Special report 28/2023 of 4 December 2023 entitled 'Public procurement in the EU. Less competition for contracts awarded for works, goods and services in the 10 years up to 2021' (ECA Special Report),

— having regard to the Council conclusions of 24 May 2024 on the European Court of Auditors' Special Report 28/2023 entitled 'Improve a fair and effective competition for EU public procurement contracts awarded for works, goods, and services' ([12]),

— having regard to its resolution of 16 December 2020 on a new strategy for European SMEs ([13]),

— having regard to its resolution of 13 July 2023 on the state of the SME Union ([14]),

— having regard to the Commission report of 20 May 2021 entitled 'Implementation and best practices of national procurement policies in the Internal Market' (COM(2021)0245),

— having regard to the Parliament study of 24 October 2023 entitled 'The social impact of public procurement – Can the EU do more?' ([15]),

— having regard to the European Labour Authority report of May 2024 'Evaluating policy responses to prevent undeclared work in public procurement contracts',

([10]) European Commission: Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, t33, Celotti, P., Alessandrini, M., Valenza, A. et al., *SME needs analysis in public procurement – Final report*, Publications Office, 2021, https://data.europa.eu/doi/10.2873/86199.
([11]) OJ C, C/2024/7061, 4.12.2024, ELI: http://data.europa.eu/eli/C/2024/7061/oj.
([12]) OJ C, C/2024/3521, 3.6.2024, ELI: http://data.europa.eu/eli/C/2024/3521/oj.
([13]) OJ C 445, 29.10.2021, p. 2.
([14]) OJ C, C/2024/4013, 17.7.2024, ELI: http://data.europa.eu/eli/C/2024/4013/oj.
([15]) European Parliament: Policy Department for Economic, Scientific and Quality of Life Policies, Directorate-General for Internal Policies, Caimi, V. and Sansonetti, S., *The social impact of public procurement – Can the EU do more?*, October 2023.

— having regard to the reports by Mario Draghi of 9 September 2024 entitled 'The future of European competitiveness' (Draghi report) and by Enrico Letta of 17 April 2024 entitled 'Much more than a market' (Letta report),

— having regard to Rule 55 of its Rules of Procedure,

— having regard to the opinions of the Committee on International Trade and the Committee on Employment and Social Affairs,

— having regard to the report of the Committee on the Internal Market and Consumer Protection (A10-0147/2025),

A. whereas public procurement represents approximately 14 % of the EU's gross domestic product and serves as an important instrument for economic growth, particularly for small and medium-sized enterprises (SMEs), innovation, sustainability and social cohesion, as well as for promoting local industry and quality jobs in the EU and for supporting the transition towards resilient supply chains and business models, including in subcontracting chains;

B. whereas local and regional governments, as the largest investors and contracting authorities in the EU, are increasingly constrained by stringent EU and national rules, complex legal requirements and procedures and disproportionate administrative burdens, while simultaneously facing a persistent shortage of financial resources, qualified personnel and technical expertise – particularly at the level of municipalities and smaller regions – which frequently necessitates the outsourcing of core tasks to external entities, thereby generating additional financial strain and procedural delays;

C. whereas public procurement can drive spillover effects that increase the demand for sustainable goods and services across the whole market, as well as support the creation of a lead market;

D. whereas the 2014 reform aimed to simplify procedures, enhance transparency and the fight against corruption, promote the participation of SMEs and innovative start-ups and integrate strategic procurement objectives through a voluntary approach, yet challenges remain in transparency, efficiency, the broader use and alignment of non-price criteria, access to data and streamlining enforcement, as well as the prevention of fraud and corruption;

E. whereas the 2014 reform introduced the most economically advantageous tender (MEAT) criteria to incentivise the use of qualitative criteria such as environmental and social considerations in awarding public contracts; whereas the ECA Special Report noted that a large share of contracts were still being awarded on the sole basis of the lowest-price criterion in 2021; whereas 20 Member States awarded more than 50 % of their public tenders based on price alone in 2023, of which 10 Member States awarded more than 80 % of their public tenders based on price alone;

F. whereas the ECA Special Report concluded that the level of competition for public contracts had decreased since 2014, and that in the majority of Member States the incidence of this award criterion based on lowest price had even increased over the period under review;

G. whereas the EU procurement thresholds for supplies, services and construction works have remained virtually unchanged since 1994; whereas these thresholds, which are adjusted to market prices, are continuously decreasing in real terms; whereas, as a result, an increasing number of smaller contracts must now be tendered at EU level through procedures that are often lengthy and complex;

H. whereas the European Labour Authority (ELA) found that 'when the lowest price is used as the only selection criteria, the risk of undeclared work increases due to the pressure on labour costs'; whereas the ELA also noted that 'It is widely acknowledged that prioritising the lowest price criterion in public procurement may create an environment where labour law violations are more likely to occur due to cost-cutting pressures and inadequate oversight; the lowest price criterion may incentivise contractors to operate in the undeclared economy to reduce costs, and bypassing labour regulations';

I. whereas the Commission's final report entitled 'SME needs analysis in public procurement' ([16]) points out that public procurement practices still need to be clarified, simplified and standardised, while taking into account the specificities and differing administrative systems of the Member States;

J. whereas direct cross-border procurements remain limited to just 5 % ([17]) of all procurement contracts, indicating that barriers to cross-border competition and market access and complex procedures persist; whereas this figure does not take into account the participation of other Member State subsidiaries in the country where the procurement procedure takes place;

K. whereas the Commission highlights several legal uncertainties in promoting socially responsible and innovative public procurement ([18]); whereas these legal uncertainties include, among others, difficulties in connecting social considerations to the subject matter of a contract;

L. whereas the Commission President has committed to a revision of the public procurement framework with a view to enabling 'preference to be given to European products in public procurement for certain strategic sectors' ([19]);

M. whereas the revision of public procurement directives should focus on encouraging qualitative criteria, streamlining procurement procedures and ensuring best value for taxpayers' money; whereas, nevertheless, public procurement rules must take into account the specific nature of different sectors and industries and the specific goals of contracting authorities, recognising that a uniform approach to regulatory measures, such as payment terms, may not be suitable for all sectors, and that tailored provisions in sector-specific regulations are necessary to ensure that the overall procurement frameworks align with industry-specific operational and financial realities; whereas winning tenders should be chosen in accordance with what the individual contracting authority considers to be the economically best solution among those submitted in order to encourage greater quality orientation and flexibility in public procurement;

N. whereas public procurement remains a neutral and procedural tool, regulating how public authorities buy goods and services, and not what they buy;

O. whereas considering the challenges related to European industrial sovereignty and the need to preserve and strengthen European jobs and know-how, public procurement should be used as a major strategic lever to promote the creation of added value within the EU, thereby enhancing industrial resilience and the sustainability of European supply chains;

P. whereas contracting authorities in the EU should be allowed to give preference to bids that include a significant proportion of added value produced within the EU;

Q. whereas the use of sustainability criteria can contribute to achieving the EU's environmental goals, provided that such criteria are clearly defined, proportionate, and do not restrict contracting authorities in meeting their actual procurement needs;

R. whereas contracting authorities operate in diverse local and market contexts and must retain the freedom to define the subject, scope and strategic priorities of procurement in line with their actual needs and capacities; whereas the principle of proportionality and subsidiarity must be safeguarded in any EU-level approach to sustainable procurement;

([16]) European Commission: Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs et al., SME needs analysis in public procurement – Final report, Publications Office, 2021.

([17]) European Court of Auditors, Special Report 28/2023: 'Public Procurement in the EU – Less Competition for Contracts Awarded for Works, Goods and Services in the 10 Years Up to 2021', European Court of Auditors, 2023.

([18]) Commission report of 20 May 2021 entitled 'Implementation and best practices of national procurement policies in the Internal Market' (COM(2021)0245).

([19]) Commission President's political guidelines of 18 July 2024 entitled 'Europe's Choice – Political Guidelines for the Next European Commission 2024-2029', p. 11.

S. whereas it is necessary to bolster trust in public procurement; whereas a lack of transparency and fairness in procurement procedures, including concerns over favouritism, unclear selection criteria, insufficient oversight mechanisms and insufficient exclusion and sanctioning, undermines trust in public contracting and creates opportunities for corruption; whereas the over-reliance on the lowest price criterion may in some cases exert downward pressure on the quality of services and safety and working conditions and may have a detrimental long-term economic impact on procuring authorities; whereas there have been cases of contracts being awarded in the absence of actual competition and with opacity and a lack of effective external control in the selection criteria, highlighting the urgent need to strengthen the principles of transparency, equality and legality at all stages of public procurement procedures;

T. whereas European businesses, particularly SMEs, encounter significant difficulties in accessing international public procurement markets due to protectionist policies in non-EU countries, while the EU maintains one of the most open procurement markets globally, leading to unfair competitive disadvantages for EU companies; whereas, in addition to protectionist policies, fair competition is often distorted by product subsidisation on the part of governments of non-EU countries, discriminatory measures and a lack of reciprocity and legal certainty;

U. whereas the EU has recently added the International Procurement Instrument and Foreign Subsidies Regulation ([20]) to its trade defence toolbox to promote reciprocity in access to international public procurement markets and to ensure a level playing field for EU companies and products; whereas environmental, social, labour and due diligence requirements would apply to the economic operators of non-EU countries in accordance with Directives 2014/23/EU ([21]), 2014/24/EU, 2014/25/EU and (EU) 2024/1760 ([22]) and other EU legislation;

V. whereas the World Trade Organization (WTO) Agreement on Government Procurement 2012 has not yet been signed by all WTO members and its latest version does not include, among other things, the global labour and environmental standards adopted since its conclusion, nor an updated inflation adjustment mechanism;

W. whereas the CJEU judgments on the participation of foreign bidders in EU public procurement procedures (Case C-652/22 and C-266/22) clarify that foreign bidders from countries that have not concluded a multilateral, plurilateral or bilateral agreement do not have secured access to the EU procurement market; whereas the CJEU reaffirmed the EU's exclusive competence in this area and confirmed that in the absence of such agreements, contracting authorities may, in accordance with EU law, limit or exclude these bidders – a situation that may lead to divergent national practices;

X. whereas an increase in geopolitical tensions is leading to a reshuffle in international trade and new economic dynamics, resulting in the emergence of new strategic dependencies driven by import concentration and limited import substitutability, and poses risks to the stability of supply chains; whereas this requires the enhanced and strategic use of public procurement in supporting the EU's economy and its capacity for resilience, reducing harmful dependencies and strengthening its strategic autonomy;

Y. whereas public procurement policies should promote European competitiveness and innovation;

([20]) Regulation (EU) 2022/2560 of the European Parliament and of the Council of 14 December 2022 on foreign subsidies distorting the internal market (OJ L 330, 23.12.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/2560/oj).

([21]) Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts (OJ L 94, 28.3.2014, p. 1, ELI: http://data.europa.eu/eli/dir/2014/23/oj).

([22]) Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859 (OJ L, 2024/1760, 5.7.2024, ELI: http://data.europa.eu/eli/dir/2024/1760/oj).

Z. whereas the lowest price is an important award criterion in most tenders in the EU – in some Member States it is applied in up to 95 % ([23]) of cases or is sometimes even the sole criterion in both the tender and award stages of a procurement procedure; whereas the ELA, in its May 2024 report, observes that reliance on the lowest-price criterion – particularly in labour-intensive sectors where staff costs dominate – can exacerbate the occurrence of undeclared work and may undermine service or product quality, sustainability and social standards; ([24]) whereas SME representatives and people interviewed from SMEs repeatedly report that contracting authorities ignore the horizontal social clause, noting that they award contracts solely on the basis of the lowest price, which encourages abnormally low bids and discourages the participation of bidders that comply with labour laws and practices;

AA. whereas the CJEU judgment in Case C-395/18 confirms that the requirements in Article 18(2) of Directive 2014/24/EU laying down that economic operators must comply, in the performance of public contracts, with obligations relating to environmental, social and labour law, constitute a binding principle, in the same way as the other principles referred to in paragraph 1 of that article, namely equal treatment, non-discrimination, transparency and proportionality; whereas the judgment also clarifies that Member States may take into account violations by subcontractors when determining grounds for exclusion, provided that the principle of proportionality is strictly respected;

AB. whereas public procurement represents a key tool to actively support the transition to a sustainable, inclusive and fair economy and can be used to promote social justice and decent working conditions; whereas contracting authorities should be encouraged to pursue public interest objectives through procurement, including social inclusion, quality jobs, equal opportunities, territorial cohesion and support for social economy actors;

AC. whereas unlocking the full potential of strategic public procurement requires shifting from a purely cost-based approach to one that also considers resilience and social and environmental value, including through respect for collective bargaining and fundamental labour rights;

AD. whereas subcontracting is crucial for fair competition for SMEs and their ability to rely on specialised expertise; whereas it can also enhance efficiency, innovation and SME participation in public procurement; whereas, due to legal ambiguities and weak enforcement, multiple layers of subcontracting may dilute accountability, increase risks of labour law violations and hinder effective enforcement;

AE. whereas the increasing digitalisation of procurement processes must be accompanied by robust cybersecurity measures, interoperability prerequisites and easy-to-use and harmonised digital platforms for procurement submissions, and ensure transparency and machine readability for analytical purposes; whereas digitalisation can, furthermore, contribute to simplifying access for businesses, particularly micro, small, and medium-sized enterprises, to public procurement, as well as reduce the bureaucratic burden for smaller contracting authorities;

AF. whereas rather than adopting a 'European only' stance, the EU should focus on the best possible quality, while taking into account a wide range of conditions, including price, safety, quality, sustainability, resilience and labour conditions; whereas it should also focus on the promotion of partnerships with its democratic allies;

AG. whereas despite the objective of the 2014 reform, efforts to promote the essential participation of SMEs in public procurement, their involvement remains limited because of large contract sizes, disproportionate administrative requirements, a lack of tailored support mechanisms that would enable them to compete effectively with larger entities, a lack of clarity in tender notices and recurring payment delays;

([23]) ECA Special report 28/2023, figure 11.
([24]) ELA report of May 2024 entitled 'Evaluating policy responses to prevent undeclared work in public procurement contracts'.

AH. whereas procurement strategies can promote an economic environment conducive to local growth, enhancing community wealth, job creation and long-term financial stability, thereby strengthening to the greatest extent possible the role of SMEs, including start-ups and social economy organisations, in public tenders;

AI. whereas Article 27 of the UN Convention on the Rights of Persons with Disabilities establishes the principle of equal employment opportunities in accessible and inclusive labour markets; whereas Directive 2014/24/EU on public procurement enables the incorporation of social criteria in contract awards, including measures that support inclusive employment and address social exclusion; whereas the EU strategy for the rights of persons with disabilities 2021-2030 acknowledges reserved contracts under Directive 2014/24/EU as one tool among others for ensuring accessibility standards;

AJ. whereas applying the MEAT criteria, taking into account product life cycle and environmental impact, may support rational and long-term public procurement decisions;

AK. whereas the transposition of European public procurement rules into national law is sometimes ineffective, leading to inconsistencies in implementation, legal uncertainty and barriers to access for economic operators; whereas, to prevent these implementation gaps and ensure consistent application, detailed guidance frameworks should be established to assist Member States in effectively transposing the rules;

AL. whereas systematic registers of contract performance can enhance the ability of contracting authorities to swiftly exclude unsuitable actors from procurement processes, including actors linked to criminal networks and foreign interference, prevent labour exploitation and enhance reliable contract performance; whereas the effective interoperability and cross-border accessibility of these registers across the Member States is important to strengthen transparency, safeguard public funds, support the internal market and reinforce the security and integrity of critical public infrastructure and services;

Strategic objectives

1. Stresses that European public procurement should remain an essential pillar of a properly functioning internal market and broader economy, and that ambitious, targeted reform is needed to unlock its true potential, encourage production in the Member States and contribute to resilient, secure and strategic supply chains; stresses the need for the harmonised implementation of the current and the reformed legislative framework by the Member States; calls on the Commission to streamline and clarify the focus of public procurement goals, including those for strategic procurement, by establishing a more focused, economically viable, precise and non-conflicting set of objectives that are clear, measurable and capable of delivering tangible market impact; calls, therefore, for improved legal certainty and coherence in order to simplify the application of the rules by contracting authorities, emphasising that many procurement procedures are excessively lengthy, thereby delaying essential investment; adds that public procurement should bring value to the public in addition to contributing to balanced economic development across the EU;

2. Considers that global competition is increasingly shaped not only by market forces, but also by state-led industrial strategies, including foreign subsidies, overcapacity and discriminatory procurement practices, which threaten to undermine the competitiveness and resilience of European producers; stresses, in this context, the importance of reinforcing Europe's strategic resilience and economic security by promoting the development of critical and nascent industries in key sectors; recognises the need to strengthen the single market and the EU's strategic autonomy by introducing preference to European goods and services in targeted strategic sectors; supports exploring how public procurement can serve as a targeted tool to stimulate demand for innovative and sustainable European-made products and technologies, and to anchor industrial capacity within the EU; recognises, furthermore, the potential of EU-content or resilience criteria – if designed proportionately – to support long-term security of supply in sensitive areas; underlines, however, that any strategic orientation must remain anchored in legal certainty, transparency and fair competition, avoiding fragmentation of the internal market, distortion of international commitments or the alienation of strategic partners;

3. Acknowledges the Commission's ongoing evaluation with regards to the revision of the legal frameworks for EU public procurement; highlights that the consultation process should include a regulatory impact assessment respecting free market principles and that its main objective should be delivering value through market-based solutions; calls, therefore, for showcasing the effect of potential new rules aimed at promoting the sustainable and social procurement objectives and measures necessary to ensure fair and effective competition, while at the same time achieving, to as great an extent as possible, the removal of excessive and unnecessary administrative barriers and streamlining regulatory provisions; highlights the importance for flexibility in determining the nature and inclusion of strategic considerations in public procurement procedures;

4. Calls, therefore, on the Commission to fully align the public procurement reform with its strategic objectives aimed at reducing bureaucracy and regulatory burdens, simplification, maintaining high social and environmental standards, guaranteeing ambitious local economic development, promoting access for SMEs and boosting the EU's competitiveness and security, preventing social dumping and preserving our economic and industrial sovereignty, in order to address harmful dependencies in respect of certain vital products and services; advises against measures that could compromise any of these principles;

5. Recalls the consistent EU policy objectives reflected in various regulations, such as sustainability, labour standards, human rights, innovation, resilience and circularity, in the context of the upcoming reform; emphasises the need to tackle gold-plating, prevent the emergence of possible barriers during the upcoming reform, and to identify and overcome the main obstacles to sustainable and resilient procurement, guarantee security of supply and ensure fair and effective competition;

6. Recognises that, in order to make public procurement more accessible for smaller actors, including social economy organisations involved in public procurement, and particularly for SMEs and start-ups, updated versions of directives must aim at reducing the current 476 articles or 907 pages of law and must continue to be procedural in character, specifying how rather than what to buy; stresses, however, that sufficient flexibility should be maintained for contracting authorities to adapt procurement processes based on their specific needs, ensuring efficiency and the best value for money;

7. Notes that international competition is putting pressure on numerous industrial sectors in Europe through overcapacity and price dumping, and therefore expects that, in addition to promoting green and social initiatives, lead markets should also be anchored in public tenders in order to strengthen Europe's strategic independence in key sectors, giving priority to European bidders within these sectors;

8. Emphasises that any revision should aim to strengthen the enforcement of future procurement laws and must address the complexity of the current rules and ensure legal certainty for contracting authorities; points out that procurement rules must respect the non-discrimination principle and provide clarity regarding the link to the subject matter, in line with the principles of legal certainty and obligations under the WTO Agreement on Government Procurement (GPA) and given the number of sector-specific laws;

9. Points to significant legal and administrative differences across the Member States and their procurement systems, ranging from varying degrees of autonomy for local authorities to differing procurement strategies; recognises the benefits of the directive format, which allows for such diversity while ensuring legal coherence and mutual respect for national systems; calls on the Commission to assess the most appropriate legal instrument in view of the forthcoming reform;

10. Reiterates that taxpayers' money should be spent with utmost prudence and transparency so as to benefit citizens and, where economically feasible, support sustainable growth; considers that the revision of the directives should aim at completing the objectives set out in 2014 and adjusting to the new challenges Europe has to face; believes, therefore, that three guiding principles – value for money over the entire life cycle, fair competition and anti-corruption measures – remain valid in the context of the upcoming reform and should not be compromised;

11. Recognises, in this context, that while public procurement can be a useful tool for achieving strategic objectives, such as innovation and sustainability or supporting strategic industries in Europe that are essential to the security of industrial output and economic stability, it is an engine for fulfilling tasks whose primary function is to achieve the best value for public tax funds and thus ensure the efficient and transparent procurement of goods and services;

12. Urges the Commission, in the light of the economic slowdown and rising public debt, to carefully assess any legal changes that could further constrain the purchasing power of contracting authorities and limit available vendors, as such constraints could ultimately undermine citizens' access to high-quality public services and infrastructure; underlines that due consideration must be given to the need for clear rules regarding the treatment of products and economic operators from non-EU countries; cautions, however, against the use of procurement for protectionist purposes; underlines, in this context, that European preference should be compliant with the EU's WTO commitments;

13. Stresses that support measures should not distort the level playing field; reiterates the importance for European public procurement processes to remain as open as possible and insists that they must remain technologically neutral and competition-driven; highlights that long-term commercial viability should be a guiding principle when assessing technologies for public investment;

Main challenges

14. Recognises that significant discrepancies remain between Member States in their implementation and enforcement of public procurement rules, discouraging cross-border bids and the participation of smaller businesses and social economy enterprises, which creates an uneven playing field; notes the varying degrees of implementation of green public procurement across the Member States, with only one third introducing binding obligations and the remainder opting for voluntary approaches;

15. Notes that, in the context of procuring goods and services and in accordance with the constitutional structures of the Member States – particularly the protection of regional and local self-government under Article 4(2) of the Treaty on European Union – local authorities have the discretion to determine how to fulfil their procurement needs; recalls that they may choose to supply goods in house, cooperate with other public entities, or engage with the market through procurement procedures; believes that the freedom and autonomy of public authorities should be safeguarded and respected;

16. Regrets that competition in public procurement has significantly declined over the past decade, as pointed out in the ECA Special Report, resulting in an increased number of tenders with a single bid or no bids; regrets, furthermore, that the same report finds that contracting authorities implement strategic procurement to a very limited extent and the share of procedures using award criteria other than price is very limited; recognises that the use of strategic public procurement has remained limited due to the lack of legal certainty in the interpretation of the requirement for 'link to the subject matter of the contract' provided for contracting authorities and their consequent fear of litigation;

17. Notes that procurement procedures have become increasingly complex and burdensome, creating unnecessary administrative hurdles that deter a diverse range of suppliers, including cross-border suppliers, from participating, as well as restricting competition and leading to delays in the delivery of essential public projects; stresses that these issues also affect public contracting authorities, particularly smaller local and regional governments; cautions that the ECA Special Report indicates that the length of administrative procedures has increased since 2021; notes, additionally, that the lack of an interoperable digital infrastructure for procurement platforms remains a barrier for businesses, particularly SMEs, contributing to inefficiencies and increasing costs;

18. Is concerned that transparency and enforcement in procurement remains inadequate, as evidenced by persistently low publication rates for contract awards, limited accessibility to procurement data and ongoing risks of abuses, fraud and corruption; recalls that favouritism, unclear or biased selection criteria and insufficient oversight mechanisms for enforcement and sanctions undermine trust in public contracting and fairness; stresses the need to establish obligations for publication and reinforced justification for all awards by negotiated procedure without a prior call for competition, in order to guarantee a minimum level of competition, traceability and control, avoiding abuse of legal exceptions; urges the Commission to make use of advanced digital tools and platforms to increase transparency and accountability in public procurement processes and deter corruption practices;

19. Notes that, at present, public contracting authorities already have the option to consider factors such as innovation, resilience, sustainability and social considerations via award, technical specification or contract performance clauses, on a voluntary basis and depending on their decision, as explicitly permitted by the 2014 directives; notes that in certain cases public contracts continue to be awarded primarily on the basis of a lowest price criterion, also owing to insufficient training and financial and human resources, restricting procurement authorities from considering additional factors such as innovation and quality-to-price ratio, which leads to suboptimal long-term outcomes that are misaligned with citizens' interests; stresses that reliance on the lowest-price criterion limits the ability of contracting authorities to take into account operational costs and to apply life cycle costing;

20. Emphasises that the complexity, excessive qualification criteria and increasing bureaucratic burden of procurement processes disproportionately affect SMEs, local businesses and national contractors, dissuading them from participating and thereby reducing the diversity of bids and undermining sustainable and innovative procurement; observes that SMEs continue to face difficulties in public procurement, despite the establishment of national and European mechanisms, owing in particular to recurring payment delays in some Member States, a lack of clarity and accessibility in national and European tender notices, as well as a lack of transparency in the candidate selection procedures, which contributes to a perception of opacity in the processes;

21. Recalls that the Strategic Analysis Report of 2023 on the construction sector by the European Labour Authority and the Commission report on the application and implementation of Directive (EU) 2018/957 of the European Parliament and of the Council of 28 June 2018 amending Directive 96/71/EC concerning the posting of workers in the framework of the provision of services (COM(2024)0320) have determined that long and complex subcontracting chains can pose numerous challenges for labour enforcement authorities when they are used to escaping legal responsibilities and may lead to unclear accountability and difficulty in ensuring compliance with public procurement contracts and labour obligations; notes, in that context, that the directive does not provide contracting authorities with sufficient tools to effectively address the non-performance of public contracts, and in some cases even hampers authorities wishing to take proactive measures;

Areas for improvement

22. Notes that there is currently a strong demand for updating public procurement thresholds in the light of the significant increase in inflation and construction costs in the EU; calls on the Commission to assess the possibilities for advocating an increase in the thresholds at international level and to introduce a mechanism taking into consideration inflation rates; points out that raising thresholds gives contracting authorities greater independence and possibilities to award contracts based on local needs; points out that excessively complicated procedures, which are characterised by a high degree of technical and legal complexity, together with administrative requirements that are sometimes disproportionate to the value of the contract, constitute one of the main problems in the public procurement sector and therefore the Commission's efforts should go beyond merely negotiating threshold values;

23. Notes that while six different procurement procedures provide for flexibility, some of these are rarely employed, such as procedures for innovation partnerships, owing to their complexity and bureaucratic hurdles; believes that streamlining and aligning data reporting obligations for contracting authorities at national and EU level, as well as basic data interoperability requirements, has the potential to deliver added value; considers it essential that the Commission and the Member States systematically analyse procurement data in a comprehensive and structured manner in order to identify and address the underlying causes of declining competition and inefficiencies in procurement processes;

24. Advocates a clearer distinction between contracting authorities and public undertakings; underlines that the freedom and autonomy of public authorities must always be safeguarded and respected; emphasises that the 2014 reform explicitly acknowledges the right of public authorities to provide and organise their services independently through their own institutions, businesses or public undertakings; stresses that the direct provision of services by public or local authorities, the in-house provision of services and public-public cooperation are and should remain available options;

25. Stresses that procurement rules for public undertakings should be better aligned with commercial practices and ensure maximum flexibility to prevent unnecessary restrictions, cost inflation and delays in critical sectors such as energy and utilities; believes that the Commission should analyse this issue in the upcoming impact assessment;

26. Recalls with concern that a significant number of economic operators have experienced exclusion from public procurement procedures because of minor formal irregularities in their tenders, without being afforded the opportunity to remedy such defects, both in open and negotiated procedures; underlines that this practice is detrimental both to the economic operators, which may have invested considerable time and resources in preparing their tenders, and to the contracting authorities, which may be compelled to potentially exclude the MEAT criteria on purely formal grounds; stresses that such rigid formalism undermines the effectiveness, efficiency and competitiveness of public procurement procedures; calls therefore for the establishment of a general principle allowing for the regularisation or clarification of minor irregularities, without the need to cancel the tender, provided that this does not entail a substantial modification of the offer, and insists that this principle should be the rule rather than the exception; emphasises the importance of introducing more flexibility into public procurement procedures while ensuring legal certainty for contracting authorities, including for small and medium-sized contracting authorities;

27. Promotes fair competition among bidders through ensuring that award criteria be designed taking into account new entrants, start-ups, SMEs and innovative businesses, fostering market diversity and competitive pricing;

Digital transformation of European public procurement

28. Strongly believes that digitalisation should remain a key element in lowering costs and streamlining public procurement for contracting and bidding entities, especially very small entities and SMEs; suggests, however, that to fully harness the potential of digital tools, the Commission and the Member States must rethink how future procurement legislation should safely facilitate and secure digitalisation, rather than just digitalising current lengthy analogue processes; underlines the importance of public procurement platforms being accompanied by updated, clear and specific guidelines and instructions to ensure that all users, regardless of their level of experience, can effectively navigate and utilise these platforms; highlights the need for increased support and training for contracting authorities on the use of digital tools;

29. Calls for the Commission to adopt a digital-first approach in the revision of the EU public procurement legal framework; recommends focusing particularly on automating and ensuring the interoperability of certain processes, such as through moving to a transaction-based system from an outdated notification-based system, reducing the number of electronic forms and integrating the European single procurement document and eCertis into broader administrative and business systems; considers that this transition will reinforce the possibility of public scrutiny in the procurement process, especially considering the potential offered by disruptive technologies such as artificial intelligence; believes that this transition to automated, transaction-based systems would enhance real-time data capture, streamline procurement processes and allow for better data utilisation, which would be particularly beneficial for SMEs;

30. Stress that establishing pan-EU procurement data architecture with reliable, structured data collection is crucial to driving better intelligence and improving procurement performance across the Member States; stresses, in addition, the importance of promoting interoperability between public databases in order to speed up checks on the accuracy of the requirements by operators and to avoid requesting information already available in various public databases; welcomes, in this context, the Commission's initiative for a European public procurement data space (PPDS); considers that this initiative has the potential to improve transparency and to support the prevention of misuse of funds, fraud and corruption, as well as to create more procurement opportunities for SMEs and ensure that public spending achieves better value by combining European and national procurement datasets; requests that the Commission explore options for introducing a public procurement digital passport, with special attention paid to SMEs, as a tool to promote SMEs' participation in public procurement; underlines the need to use current tools such as eForms, eTender, eCertis and the PPDS more effectively in order to move away from analogue processes towards fully digital systems to make procurement decisions smarter;

31. Notes that the introduction of the European single procurement document (ESPD) has not fully achieved its objective of simplifying and facilitating the participation of companies in public procurement, owing to the persistence of operational difficulties that continue to complicate companies' access – particularly very small entities and SMEs – to procurement procedures; calls on the Commission to streamline and clarify standard procurement documentation, including the ESPD; encourages the Commission and the Member States to explore how procurement systems can interface with other well-functioning administrative systems and databases at national and EU level to improve the EU's internal market;

32. Calls on the Commission and the Member States to ensure the enforcement of uniform cybersecurity standards aligned with the Cyber Resilience Act ([25]) and the NIS2 Directive ([26]), where applicable, in all relevant EU public procurement legislation, as well as to ensure that EU data protection rules are complied with throughout all stages of the procurement process;

33. Calls for the harmonisation of electronic identification and authentication processes across the Member States to ensure secure, efficient and trusted digital public procurement throughout the EU;

34. Is convinced that the Commission, in dialogue with stakeholders and social partners, should assess which procedures provide little added value relative to their costs, administrative burden or contribution to quality and then either improve, automate or eliminate them entirely;

([25]) Regulation (EU) 2024/2847 of the European Parliament and of the Council of 23 October 2024 on horizontal cybersecurity requirements for products with digital elements and amending Regulations (EU) No 168/2013 and (EU) 2019/1020 and Directive (EU) 2020/1828 (Cyber Resilience Act) (OJ L, 2024/2847, 20.11.2024, ELI: http://data.europa.eu/eli/reg/2024/2847/oj).

([26]) Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (OJ L 333, 27.12.2022, p. 80, ELI: http://data.europa.eu/eli/dir/2022/2555/oj).

35. Draws attention to the successful adoption of the GovTech procurement model in countries such as Poland, Lithuania and Denmark, as well as the Commission's recognition of the model as a key tool in achieving the goals outlined in the EU 2030 Digital Compass; believes that building upon successful national experiences and fostering the development of a European GovTech market serves as an opportunity for the public sector to rapidly and efficiently access tailor-made digital solutions, while also supporting a digital-oriented public procurement reform; underlines that the use of GovTech in pre-commercial procurement has so far enabled less financially resourced municipalities to form multi-partner consortia, a model that can be scaled up for larger national projects; notes, however, the existence of certain challenges that undermine the effective use of GovTech and believes that this should be addressed in the future;

Specific recommendations for improving European public procurement

36. Calls for a revision of the EU public procurement framework to boost European competitiveness, promote a more sustainable economy, build resilience, ensure legal certainty, while digitalising procedures, reducing and simplifying the rules both for contracting authorities and bidders, and ensuring security of supply for certain vital technologies, products and services, promoting quality jobs and delivering services for citizens, including by respecting collective bargaining agreements in accordance with national laws and practices; stresses that the Commission should propose harmonisation where it can deliver possibly the greatest added value, such as digital procurement tools and the standardisation of tender procedures and structures for joint procurement at both national and cross-border level; in this vein, encourages the use of digital procurement tools to facilitate cross-border participation and calls for the promotion of cross-border public procurement in the single market, particularly in border regions; emphasises that the objective should not be harmonisation for its own sake, but rather to enhance legal certainty, efficiency and predictability, as well as reduce excessive administrative burdens on contracting authorities and bidders, while increasing flexibility, freedom of choice and autonomy for contracting authorities, to ensure the prudent use of taxpayers' money;

37. Highlights the need to train contracting authorities, including giving an explanation of the rules and adequate clarification of the use of non-price criteria, including the legal basis for the MEAT criteria and the need to ensure the application of Article 18(2) of Directive 2014/24/EU to offer legal certainty to contracting authorities so that they feel more confident using them, while maintaining adequate oversight and data access options; encourages the Commission to further strengthen the professionalisation and training of procurement officials and suggests that the Commission increase funding for further training of contracting authorities to effectively implement the EU public procurement framework;

38. Notes that awarding public contracts based solely on the lowest price might encourage unfair competition and that this is at the expense of quality, sustainability and social standards; insists that more contracts, especially for intellectual services, should be awarded based on the best price-quality ratio, through use of MEAT criteria, meaning that tenders should be evaluated not only on price but also on factors such as quality, regional impact or continuity of supply of complex and essential services; adds that non-price considerations should be given a substantial weight in the overall rating and final decision on the award of contracts, especially for engineering services, which are essential to ensure high-quality, profitable projects in the long term, while protecting innovation and deterring the submission of abnormally low tenders;

39. Recommends that concrete actions should be put forward by the Commission to combat corruption and increase transparency in the use of negotiated procedures without prior publication, notably through strengthening the voluntary ex ante transparency notice; calls for these notices to be published in the Official Journal of the European Union and on the website or other public platform of the relevant contracting authority, depending on the value of the procurement; stresses that these notices must include a justification for the use of the negotiated procedure, outlining the specific reasons for departing from standard procurement methods, without placing an undue administrative burden on the contracting authorities;

40. Calls for a revision of the exclusion criteria in procurement processes, enabling them to better address specific sectoral risks related to fraud, corruption and criminal infiltration; stresses that different sectors require separate tailored exclusion criteria, reflecting their specific vulnerabilities; firmly believes that contracting authorities should be empowered to adapt procurement procedures to combat and address criminal activities; highlights that in order to promote greater efficiency and simplification, the provisions relating to grounds for exclusion should be streamlined through an exhaustive list and a clear distinction between mandatory grounds for exclusion, intended to protect the public interest, and optional grounds for exclusion, intended to protect the interests of the contracting authorities or entities; adds that any economic operator that breaches its obligations under applicable labour and environmental laws pursuant to Article 18(2) of Directive 2014/24/EU should effectively be excluded from the public procurement process in question;

41. Encourages greater cross-border cooperation in public procurement, where it offers clear benefits, such as in large-scale projects, in order to enhance efficiency and cohesion within the EU internal market; supports interoperable digital infrastructure that enables procurement data and procedures to be shared seamlessly across Member States, as this would reduce barriers and enhance market cohesion, benefiting suppliers of all sizes across the EU;

42. Calls for full use to be made of all the flexibility provided under the GPA in EU public procurement law, at least for sub-central contracting, with the aim of achieving a substantive simplification of procurement procedures; highlights that the GPA allows for significantly greater flexibility and more streamlined procedural options concerning the choice and design of procurement processes; calls on the Commission to assess the possibility of allowing small contracting authorities to use simplified procedures, making use of the flexibility provided in Directives 2014/25/EU and 2014/23/EU, in order to address their limited resources and expertise and to reduce unnecessary administrative burdens, thereby enabling them to fulfil their tasks more efficiently;

43. Emphasises that various sector-specific public procurement rules are fragmented and may be difficult to implement for both businesses and local governments;

44. Calls on the Commission to review and assess sector-specific procurement rules and streamline them to reduce unnecessary burdens on contracting authorities while ensuring transparency, efficiency, legal certainty and flexibility; calls for sectoral legislation to remain harmonised with the overall procurement frameworks and to remain restricted to technical specifications;

45. Requests the establishment of uniform non-binding guidelines, standardised monitoring and reporting mechanisms, procedural guarantees, independent oversight bodies with sufficient powers and effective enforcement and compliance tools to promote legal certainty, fair competition, and consistency across public procurement in the EU, without restricting contracting authorities' discretion; highlights the need for support for contracting authorities, especially those with limited administrative and economic resources in enforcement and to ensure that contractors comply with the agreed contractual obligations; emphasises the importance of the principle of proportionality, meaning that the contracting authority's decisions, as well as the requirements and conditions set in a tender, must be aligned with the nature and scope of the contract being procured; urges the Commission to clarify this concept to incentivise the use of criteria other than price only;

46. Notes that greater integration of the public procurement market is crucial to achieving the EU's strategic goals, provided that this fully respects Member States' competence to define their own strategic priorities; underlines that any efforts to standardise procurement procedures must be guided by the principle of subsidiarity and preserve national flexibility;

47. Stresses that SMEs' efforts to explore other Member States' markets should be supported; calls for the sharing of best practice across the EU and the simplification of cross-border procurement procedures; calls on the Member States to encourage business participation in cross-border public procurement by refraining from using language criteria to decline bids in tender procedures;

48. Calls on the Commission to streamline administrative processes as much as possible to ease burdens, refine selection criteria for effective procurement and boost administrative capabilities; believes that standardised criteria make for more accessible and attractive contracts for SMEs, which is essential to foster wider participation and drive innovation in the sector; strongly recommends, therefore, the issuance of standardised criteria in the form of non-binding Commission guidelines;

49. Recommends the introduction of strengthened mechanisms for transparency and oversight in public procurement by integrating advanced data analytics and AI technologies into the procurement process to detect potential non-compliance, irregularities, fraud, national security risks and corruption in real-time; encourages the Commission, in this context, to support the development of a data-driven risk analytics platform connected with supplier registries and both EU and national debarment databases within the PPDS, including the integration of procurement, company and sanctions data to enable proactive fraud detection and integrity monitoring;

50. Considers that the introduction of an EU-wide mechanism that ensures cross-border information sharing for contracting authorities on the economic operators that have been excluded from procurement markets and the duration of their exclusion, in line with Article 57 of Directive 2014/24/EU, would facilitate enforcement, simplify procedures, safeguard public funds, safeguard a level playing field in the internal market and reinforce the security and integrity of critical public infrastructure and services; notes that cross-border information sharing regarding a certain trader being excluded in one Member State is not a prerequisite for that trader's exclusion in another Member State;

51. Urges the Commission to study the feasibility of an EU-wide register of declarations of interest in the field of public procurement, taking into account the value of contracts, allowing for the identification of personal or professional links between contracting authorities and successful tenderers, in order to prevent situations of conflict of interest that could affect the integrity of the process and to ensure the existence of robust whistleblowing mechanisms;

52. Considers that further simplification and standardisation of public procurement practices are needed; supports the introduction, where appropriate, of standard contract section templates across the Member States in order to create greater uniformity in tendering procedures, reduce administrative burdens and ensure legal clarity for contracting authorities and economic operators, while maintaining flexibility for market-driven solutions; notes, moreover, that the introduction of standard contract section templates across the Member States would also facilitate the integration of contract data into digital platforms, enabling easier tracking and comparison; considers that such standardisation contributes significantly to administrative efficiency and the reduction of transaction costs, as it enables contracting authorities to streamline the preparation of tender documents and economic operators to reuse elements of previous tenders, particularly when participating in multiple procurement procedures; points to the use of standard models, which should allow shorter and more consistent tender documents;

53. Welcomes the priority given by the Commission to reducing the burden on businesses of legally mandated reporting requirements by 25 % and 35 % for SMEs; calls for this priority to be implemented across all sectors and calls for the upcoming public procurement review to be assessed on this basis;

54. Calls on the Commission, the Member States and contracting authorities to make full use of the available tools such as the EU's trade defence toolbox, to prevent unfair competition from non-EU countries that discriminate against EU countries' participation in their public procurement processes, and to apply a strict principle of reciprocity with the effective use of the EU's International Procurement Instrument, especially when it comes to access to strategic sectors of the EU public procurement market; recalls that the EU may restrict access to its public procurement markets in response to breaches of international trade rules, including increases in customs duties that are incompatible with WTO rules; calls, furthermore, for decisive action through the Foreign Subsidies Regulation ([27]); highlights, moreover, the possibilities offered by Regulation (EU) 2023/2675 ([28]) on the protection of the EU and its Member States from economic coercion by third countries; stresses that the procedures followed before the implementation of rebalancing measures are too slow; calls on the Commission and the Council to allow procedures enabling a quicker reaction; recalls that non-EU countries that are not part of the GPA or have not concluded international agreements with the EU guaranteeing equal and reciprocal access to public procurement cannot claim equal treatment in the area of public procurement, as clarified by CJEU case-law (Case C-652/22);

55. Recalls that the conditions set out in ILO Convention No 94 on Labour Clauses should be respected, and considers that countries that do not comply with them should not be able to access EU public procurement processes;

56. Notes that a significant proportion of contracts in most Member States are awarded based on the lowest price bid; highlights the need to ensure that non-EU companies do not gain an unfair advantage in procurement procedures through direct or indirect state subsidies, thereby distorting fair competition within the internal market; urges the Commission and the Member States to take decisive action against non-EU entities that exploit such subsidies to undercut prices or dominate tenders in a manner inconsistent with EU competition rules; recommends establishing clear and transparent rules for the exclusion of non-EU entities, as well as EU-based companies whose non-EU subcontractors have repeatedly breached EU law; further calls for convergence among Member States on the rules governing the participation of non-EU bidders in public tenders, particularly in the case of projects financed with European funds;

57. Underlines that abnormally low tenders, especially from non-EU bidders, may compromise the effective execution of public contracts, endanger quality standards, and pose risks to national security, particularly in the context of critical infrastructure; calls for stronger measures to detect and address such bids, including through independent cost assessments and clear obligations for contracting authorities to reject offers where the justification for the unusually low price is insufficient or unconvincing; calls, in this context, on the Commission to put forward a clear and harmonised methodology for assessing the notion of 'abnormally low price', in order to provide contracting authorities with greater legal certainty and practical guidance when evaluating tenders;

58. Calls on the Commission to set out clearly that bidders from non-EU countries are not eligible to participate in public procurement procedures conducted within the EU if their country of origin does not give, on the basis of a plurilateral or bilateral agreement on public procurement signed with the EU, reciprocal market access for EU bidders;

59. Calls for the continued application of derogations for the outermost regions given the specific challenges these territories face; recognises, furthermore, the unique circumstances of communities residing in EU border regions that engage in regular cross-border economic and social exchange with neighbouring non-EU countries;

([27]) Regulation (EU) 2022/2560 of the European Parliament and of the Council of 14 December 2022 on foreign subsidies distorting the internal market (OJ L 330, 23.12.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/2560/oj).

([28]) Regulation (EU) 2023/2675 of the European Parliament and of the Council of 22 November 2023 on the protection of the Union and its Member States from economic coercion by third countries (OJ L, 2023/2675, 7.12.2023, ELI: http://data.europa.eu/eli/reg/2023/2675/oj).

60. Seeks to ensure that public procurement incorporates mechanisms that support regional economic resilience, the creation of quality local jobs and the sustainability of local economies, contributing to a more balanced distribution of economic activity between urban and non-urban areas; underlines, in this context, the role of agricultural producers and their supply chains, as well as the paramount role of services of general economic interest; invites the Commission to assess the recommendation contained in the Draghi report to provide contracting authorities with the option of setting an explicit minimum quota for selected locally produced goods in public procurement where appropriate and feasible; emphasises that public procurement practices should foster economic growth without unduly favouring specific sectors or regions, while recognising the importance of strengthening the ability of contracting authorities to give greater weight to social and sustainability criteria, including environmental and climate-related considerations, where they deem it appropriate;

61. Recognises the specific characteristics and strategic role of public procurement in bolstering EU food security and resilience, and acknowledges the need to make better use of sustainability and climate-related criteria, support EU farmers, and promote healthier eating habits as well as sustainable and healthy food policies;

62. Supports increased flexibility in public-public partnerships, enabling public authorities to work together more effectively to enhance service delivery and reduce costs; calls on the Member States to consider developing a public-private partnership and dialogue in public procurement in order to improve the efficiency of processes and the cooperation between public authorities and businesses; recommends revising the current directive's definition of public-public cooperation to acknowledge such cooperation as any contracts or arrangements made between two or more contracting authorities; calls on the Commission to consider exempting cooperation between public authorities (public-public cooperation) for the purpose of efficient task fulfilment from the scope of the procurement directives, without further restrictive conditions;

63. Stresses that the development and use of trustworthy, high-quality and transparent sustainability labels and certifications help contracting authorities operationalise sustainability objectives, thus reducing the administrative burden and the need for in-depth technical assessments; calls on the Commission to promote and further develop such labels at EU level, ensuring their credibility and usability across sectors;

64. Observes that contracting authorities are already engaged in sustainable and climate-friendly procurement, guided by comprehensive sustainability regulations at the EU, national and regional levels;

65. Underlines, in the light of CJEU case-law (including Case C-395/18), that contracting authorities are entitled to include requirements based on national labour law in procurement documentation, such as binding collective agreements, minimum employment standards, equal pay provisions, and other relevant social criteria; welcomes the clarification by the CJEU that the social and environmental obligations in the Horizontal Social Clause are 'a cardinal value with which the Member States must ensure compliance'; calls on the Commission to develop guidance and a legal framework, including clarification of the subject matter and its practical application, that ensures legal certainty and empowers contracting authorities – within their own discretion – to apply such criteria without facing disproportionate legal risks;

66. Recognises the significant potential of socially responsible public procurement (SRPP) in promoting decent work, social inclusion and sustainable development; encourages contracting authorities to systematically integrate social criteria in public procurement procedures, while ensuring economic feasibility, flexibility and subsidiarity; calls on the Commission to assess the inclusion of social criteria in the procurement procedures and provide a clear legal and policy framework and practical guidance, including legal clarity and examples of good practices, to enable effective and legally sound implementation of SRPP by contracting authorities; recognises that including social clauses, such as requirements related to working conditions, collective bargaining and respect for labour rights, can significantly enhance the quality and reliability of public procurement outcomes; calls on the Commission to clarify in the revision that the requirements set out in Article 18(2) of Directive 2014/24/EU, relating to environmental, social and labour law, are binding;

67. Believes that public procurement procedures should encourage and reward innovative and sustainable solutions that can stimulate economic development; highlights the importance of introducing and implementing sustainability criteria across Member States in a way that reflects current EU legislation; calls on the Commission in the context of the forthcoming fitness check on EU public procurement legislation to assess the establishment of a sector-specific sustainability criteria toolbox comprising model award and technical criteria, verification methodologies and contractual provisions, with a view to facilitating the progressive adoption of more sustainable procurement practices, offering clarity for contracting authorities while allowing them to tailor requirements to specific sectors and local economic capacities; requests that the Commission examine how sustainability-related aspects can be better integrated when applying the principle of the most economically advantageous tender, in order to foster innovation and efficient resource use; calls on the Commission to develop a set of criteria with the aim of fostering innovation in sustainable technologies and increasing the EU's competitiveness in future lead markets; believes that strengthening the market for secondary materials should form part of this approach; stresses in this context that the development of a toolbox should be contingent on demonstrable evidence that (a) it does not oblige contracting authorities or contracting entities to incur disproportionate costs or result in incompatibilities or technical difficulties, (b) it takes into account the life cycle, diversity and availability of relevant products and services, and adheres to the principle of technological neutrality, and (c) it preserves fair competition;

68. Recommends the implementation of strategic procurement models that prioritise the interests of the EU and the Member States, as well as long-term value and resilience over short-term cost reductions, and offer lead market opportunities for products respecting the EU's objectives, particularly in strategic sectors;

69. Requests that the Commission conduct an in-depth impact assessment, in the context of the upcoming review of the public procurement framework, on possible ways and implications of prioritising the 'European preference' principle in procurement related to strategic industries so as to ensure the continuity of critical capabilities in Member States and bolster resilience, security, competitiveness and strategic autonomy; emphasises that the Commission should carefully evaluate the potential cost implications, the risks of limiting access to cutting-edge technologies, and the effects on the quality of services and products, while maintaining consistency with the EU's international legal commitments and not excluding like-minded partners; underlines that any measures to promote the participation of European companies should not amount to protectionism or distort competition; recognises, in that context, the importance of businesses that invest and reinvest in the EU, strengthening the EU's economy, protecting workers' welfare and benefiting local communities; invites the Commission, furthermore, to examine opportunities to boost the participation of EU-based companies in procurement processes launched for projects financed by EU institutions or by extension of the preference system set out in Article 85 of Directive 2014/25/EU to contracts awarded by contracting authorities and in Article 15 of Directive 2014/24/EU for targeted strategic sectors;

70. Calls for the inclusion, in public procurement procedures concerning projects of strategic interest for the EU – particularly in the fields of critical infrastructure, advanced technologies and critical raw materials – of provisions allowing contracting authorities to require economic operators to establish industrial partnerships with legal entities based in the EU; is of the view that such partnerships should include clauses ensuring the transfer of technologies, know-how or key technical skills to EU-based partners, in full compliance with Union law and international commitments;

71. Stresses the specific challenges faced by electricity grid operators, with increased delivery times and costs; calls for public procurement procedures for electricity grid operators to be simplified and their flexibility and efficiency ensured; advocates for more consistency between EU regulations impacting the public procurement of electricity grids;

72. Underlines the importance of unlocking investments in the market for public procurement and concessions, and calls on the Commission to examine whether the current framework for the duration of concession contracts adequately reflects post-award investments by concessionaires, and to consider whether greater flexibility would help incentivise such investments;

73. Stresses the need to avoid unnecessary administrative burdens for public buyers and economic operators, including SMEs and micro-enterprises; underlines that, in revising EU public procurement legislation, the need to reduce complexity and cut red tape should be considered at all times in order not to hinder the participation of economic operators in public procurement; requests that the Commission, when assessing options for introducing new criteria in public procurement, ensure that particular attention is given to the stage at which such requirements are inserted within the procurement process; underlines that special attention should be paid to whether these criteria are included in the award criteria or at earlier stages of the procurement documents, ensuring legal clarity and practical feasibility for both contracting authorities and economic operators;

74. Supports the modernisation of procurement criteria to reflect advancements in technology and security, ensuring that new procurement frameworks allow for agile responses to changing economic and geopolitical landscapes while maintaining the autonomy of Member States over managing their procurement policies; notes that EU competitiveness is built together with social and environmental standards in the internal market; stresses that the future frameworks for public procurement should enhance these strengths, not diminish them, in order to strengthen the position of EU actors in public procurement bids;

75. Highlights the importance of the Net Zero Industry Act ([29]) as an example of resilience criteria related to security of supply, quality jobs, contribution to the EU's industrial leadership and competitiveness, adherence to cybersecurity standards and reducing dependency on a single non-EU country that does not participate in international procurement agreements;

76. Supports the further digitalisation of public procurement processes, with a view to reducing administrative burdens, improving efficiency and competitiveness, enhancing transparency and facilitating access for SMEs and cross-border bidders, while ensuring compliance with security standards;

77. Calls for enhanced support mechanisms for very small entities, SMEs, start-ups and social economy actors to enable them to effectively compete in public tenders, including technical assistance programmes, and capacity building for SMEs, start-ups and social enterprises; believes that more guidance and support for SMEs is crucial to advance their participation in public procurement; underlines the need to reduce bureaucratic constraints that disproportionately affect participation by SMEs, start-ups and scale-ups, and for proper impact assessments and a mandatory SME and start-up test by the Commission on any and all new rules; highlights the effectiveness of dialogue initiatives in helping SMEs gain better knowledge of public procurement principles, while allowing public procurers to collect information to design more balanced criteria and reduce administrative burdens; supports, where appropriate, the widespread use of sourcing practices by public buyers prior to the design of calls for tender, as well as limits on excessive financial capacity and proof-of-past-performance requirements; signals the need to support SMEs in identifying partners;

([29]) Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 (OJ L, 2024/1735, 28.6.2024, ELI: http://data.europa.eu/eli/reg/2024/1735/oj).

78. Calls for the urgent simplification of selection criteria, and in that context, also calls on the Commission to explore whether the creation of an EU-level digital database of pre-qualified SMEs and smaller actors could help streamline procedures and enhance access to public tenders; notes the potential for accreditation systems to be used to determine companies' technical and financial capacity and verify their professional integrity prior to the tender process and that professional integrity criteria should encompass their track record of compliance with applicable labour, human rights and environmental laws; underlines that effective interoperability and cross-border accessibility of these registers across Member States could essentially strengthen transparency, safeguard public funds, support the internal market and reinforce the security and integrity of critical public infrastructure and services;

79. Stresses that the EU public procurement framework must ensure equitable access for SMEs, social economy entities and local businesses by promoting simplified procedures, including by ensuring that companies are not required to re-submit publicly available information in their tender application and by applying proportional requirements based on the local context; calls on the Commission to consider mainstreaming the division of contracts into smaller lots to foster competition and to prevent dominance by large entities, while recognising that contracts should not be divided where there is a genuine technological or efficiency rationale for not doing so; underlines that this division into smaller lots is of particular relevance for engineering, construction and planning services as it can strengthen competition, safeguard participation opportunities for small and medium-sized enterprises and micro-enterprises, and enable the targeted use of specialised expertise; emphasises the need for clear guidelines determining when non-division of contracts is justified; notes that the division of lots is also an effective means of preventing unfeasible subcontractor chains;

80. Recommends that the procurement framework should allow bidders and contracting authorities to submit missing evidence at a later stage in the procedure, simplifying and accelerating procurement processes, for example, through an expansion of Article 56(3) of Directive 2014/24/EU; recommends that the participation of start-ups and SMEs be promoted by adapting rigid reference requirements that disproportionately hinder newly-established companies; calls for, where appropriate, greater flexibility in qualification criteria to ensure fair access for start-ups to procurement opportunities while maintaining transparency and competition; underlines that flexibility should be considered when requesting track records of contracts from SMEs;

81. Calls on the Commission to ensure that public procurement processes are made more accessible and transparent by providing easily understandable summary tables or overviews of public tenders, which clearly outline recommended technical specifications and requirements of the procured work or service; requests that the Commission particularly consider enterprises with less experience, which should use the tools to better understand and interpret the procurement documents;

82. Reiterates that equitable access to public procurement procedures necessitates a simplification and clarification of the rules for contracting authorities;

83. Highlights that experience with public contracts, such as construction projects, shows that allowing alternative proposals (variant bids) helps contracting authorities procure services more innovatively, efficiently and cost-effectively; emphasises that innovative solutions are more easily integrated into procurement when variant bids are generally allowed and that in order to effectively incorporate entrepreneurial know-how in the awarding of public contracts, alternative proposals (variant bids) should generally be allowed unless the contracting authority specifically decides to exclude them (opt-out); calls upon the Commission to examine the permissibility of alternative proposals (variant bids) pursuant to Article 45(1) of Directive 2014/24/EU;

84. Calls on the Commission to ensure the 'once only' principle is applied consistently at all levels of administration in public procurement, so that, in order to reduce administrative burdens, bidders only have to provide certain standard information to the authorities and administrations once; recognises that allowing bidders to use self-declarations of compliance instead of submitting numerous administrative documents at the initial stage can often reduce burdens and increase efficiency; calls on the Commission to identify where such practices could be applied appropriately, while ensuring legal clarity and safeguards;

85. Is of the opinion that reserved contracts for certain services are a good practice that supports the social economy; suggests that preference could be given to SMEs and innovative market operators in the event of equivalent offers or could be implemented through reserved contracts or a reserved part of the contract performance; stresses in that context the effectiveness of reserved contracts in supporting the employment of persons with disabilities through public procurement, while noting that there is still room for improvement in their implementation;

86. Recognises that while subcontracting allows for greater flexibility, access to specialised skills, and cost savings, it can also bring potential risks such as weakened accountability, heightened risk of labour rights violations and obstacles to effective enforcement; calls on the Commission to assess the impact of public contracts being performed mainly by the successful tenderer's direct workers and recommends that public procurement rules encourage companies to have sufficient in-house staff to implement the projects for which they are awarded public contracts; calls on the Commission, in order to end abusive subcontracting and to protect workers' rights, to strengthen transparency and accountability throughout the supply chain, and to consider introducing a well-defined regime for joint and several liability of economic operators and subcontractors and for ensuring transparency regarding the subcontractors involved and the share of the contract that the contractor intends to subcontract;

87. Supports contract pricing flexibility through the extension of the maximum duration of framework agreements for contracting authorities, the introduction of provisions that allow price adjustments in response to disproportionate cost increases that the bidder could not reasonably have anticipated, such as inflation, material or energy cost increases and changes in labour laws, ensuring contract viability without imposing financial strain on public authorities, and the extension of the negotiated procedure as the principle for contracts subsequent to a framework agreement;

88. Notes that the rules on innovation procurement remain underused; calls for evaluation of the need to establish additional special procurement rules for scientific research and innovation projects, recognising their critical role in driving economic and technological progress, while ensuring efficient use of public resources; signals the need for additional and solid provisions protecting the intellectual property rights of bidders, including during the tendering process;

89. Believes that the professionalisation of public purchasers should be part of improving public procurement methods within the EU; welcomes national initiatives aiming at helping public purchasers to familiarise themselves with the current legal framework and concepts such as defining the subject matter and designing appropriate selection and award criteria; asks the Commission to develop and promote similar programmes at EU level with a focus on making better use of non-price criteria by establishing 'ready-to-use' environmental and social criteria;

90. Highlights the crucial contribution of non-profit organisations, churches and social enterprises in public procurement all around Europe, noting their expertise, strong local connections, and demonstrated capacity to deliver high-quality services; stresses the importance of maintaining and promoting reserved contracts as a powerful instrument to ensure that public procurement supports broader societal objectives, the social economy and the diversity of actors involved; calls, therefore, for strengthening the existing possibility for Member States and contracting authorities to reserve participation in public procurement procedures specifically to actors operating on a non-profit basis; calls on the Commission to reconsider the three-year limit and the obligation not to have provided these services within the previous three years under Article 77 of Directive 2014/24/EU;

91. Calls for a better use of the option laid down in Article 71(3) of Directive 2014/24/EU of enabling direct payment to subcontractors; calls on the Member States to promote the transparency of payments by public authorities to contractors and sub-contractors, and of payments by the contractor to its sub-contractors or suppliers;

92. Calls on the Commission to update its tools for monitoring competition in public procurement; considers that by refining the methodologies and technologies for market analysis, incorporating advanced data analytics and artificial intelligence, the EU should strive to promote a procurement environment that ensures greater competitiveness, fairness, transparency, strategic value and equity; believes such measures can contribute to a clearer understanding of the issue of low competition in public procurement and support the development of new proposals to simplify access to tenders for enterprises;

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93. Instructs its President to forward this resolution to the Council and the Commission.