

Brussels, 25 June 2008

Small Business Act: Commission publishes new practical guidelines for Member States on how to make public procurement more SME-friendly

In the context of the Small Business Act (SBA), the European Commission has published a set of practical examples and guidelines which will enable Member States and public authorities to make their public procurement rules and practices more friendly for small and medium enterprises (SMEs). Public procurement in the EU – i.e. the purchases of goods, services and public works by governments and public utilities - is a vast market, worth €1800 billion in 2006 and estimated at about 16% of GDP.

Internal Market and Services Commissioner Charlie McCreevy said: "This 'Code' will help Member States and contracting authorities to change their procuring culture and to make it more SME-friendly. Small and medium companies are the backbone of the EU economy. In order to make the most of their potential for job creation, growth and innovation, their access to public procurement markets should be facilitated. This is the first time that the relevant procurement rules and practices are gathered in a single document on how this can be done in the best way."

One of the aims of the SBA is to facilitate access by SMEs to public procurement. In order to identify the problems SMEs face in accessing public contracts and to explore possible solutions, the Commission carried out consultations with stakeholders and assessed the economic dimension of the issue on the basis of an external study.

The outcome of the consultations was very clear: stakeholders stressed that a change in contracting authorities' procuring culture, not legislative changes to the EU Public Procurement Directives, is most needed in order to facilitate SMEs' access to public contracts.

Against this background, the Commission has prepared a 'European Code of Best Practices Facilitating Access by SMEs to Public Procurement Contracts'. This Code of Best Practices is expected to help in two ways:

- first, in showing how to make an SME friendly use of the provisions of the EC Public Procurement Directives;
- second, in highlighting a number of SME-friendly rules and practices at national level, gathered through consultations with Member States and other stakeholders.

This Code of Best Practices will deal with solutions to the main difficulties encountered and reported by SMEs:

- Overcoming difficulties relating to the size of contracts
- Ensuring access to relevant information
- Improving quality and understanding of the information provided
- Setting proportionate qualification levels and financial requirements
- Alleviating administrative burden
- Putting emphasis on value for money rather than on price
- Giving sufficient time to draw up tenders
- Ensuring payments on time

The 'Code of Best Practices' is available at:

http://ec.europa.eu/internal_market/publicprocurement/key-docs_en.htm