



3.07.2025

AW/JC/ab/tdp

**2024/2103(INI)**

# **FINAL COMPROMISE AMENDMENTS [1 -11]**

**Draft report**  
**Piotr Müller**  
(PE767.975v01-00)

Public procurement  
(2024/2103(INI))

Compromise amendment covering the following amendments: 196, 197, 198, 200, 203, 204, 208, 211, 212, 213, 216, 217, 224, 225, 234, 235, 236, 237, 238, 239, 242, 245, 247, 253, 257, 259, 261, 262, 267, 273, 279, 283, 284, 290, 294, 298, 299, 300, 308, 484, 486, 487, 558, 590, 661, 53 EMPL, 55 EMPL, 57 EMPL, 58 EMPL, 59 EMPL, 20 INTA, 25 INTA, 26 INTA, 32 INTA, 33 INTA - the other relevant AMs fall (see voting list)

### **Strategic objectives**

1. Stresses that European public procurement should remain an essential pillar of the 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 of a harmonized 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, included for strategic procurement by establishing more focused, economically viable, precise and non-conflicting set of objectives that are clear, measurable** ~~cautions, however, that the increasing tendency to use public procurement as a vehicle for multiple, often conflicting policy objectives risks adding complexity, bureaucracy and procedural burdens, rather than~~ **and capable of delivering tangible market impact; calls, therefore, for improved legal certainty and coherence in order to simplify application by contracting authorities, emphasizing that many procurement procedures are excessively lengthy, delaying essential investments; adds that public procurements should bring public value on top of contributing to the balanced economic development across the EU;**
- 1a. **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 Union; further recognises 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 alienating strategic partners;**

- 1a. Acknowledges the Commission's ongoing evaluation with regards to the revision of EU public procurement legal frameworks; highlights that such consultation should include a regulatory impact assessment respecting free market principles and its main objective - delivering a value through market-based solutions; calls, therefore, for showcasing the effect of potential new rules aimed at promoting sustainable and social procurement objectives and measures necessary to ensure fair and effective competition while at the same time achieving as much as possible the removal of excessive and unnecessary administrative barriers and streamlining regulatory provisions; points at the importance for flexibility in determining the nature and inclusion of strategic considerations in public procurement procedures;**
2. 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 small and medium-sized businesses** and boosting European competitiveness **and security, including by addressing harmful dependencies for some vital products and services**; advises against measures that could compromise any of these principles;
- 2a. Recalls the consistent European policy objectives reflected in various regulations, such as sustainability, labour standards, human rights, innovation, resilience or 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;**
3. 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 substantially reducing the current 476 articles or 907 pages of law and must continue to be strictly procedural in character, specifying how rather than what to buy; **stresses, however,**

**that sufficient flexibility should be left to contracting authorities to adapt procurement processes to their specific needs, ensuring efficiency and the best value for money;**

- 3a. 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 that procurement rules must respect non-discrimination principle and provide clarity regarding the link to the subject matter and ~~refrain from prescribing outcomes related to product characteristics or social preferences not directly linked to the subject matter of the contract~~, in line with principles of legal certainty and WTO GPA obligations and given number of specific sectorial legislation;**
- 3b. Points to significant legal and administrative differences across 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;**
4. Reiterates that taxpayers' money should be spent with utmost prudence and transparency **which benefit citizens and where economically feasible, support sustainable growth; considers that the revision of the Directives should aim at completing the objectives targeted in 2014 and adjust 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;**
5. Recognises, in this context, that while public procurement can **be a useful tool for achieving strategic objectives, such as innovation and sustainability or supporting** ~~support~~ strategic industries **in Europe** 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 efficient and transparent** procurement **of goods** and services;~~;~~ it must not be misused to artificially sustain failed policies such as the Green Deal or to subsidise non-viable products, and services that cannot otherwise compete with traditional market alternatives;
- 5a. Urges the Commission, in 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 shall be given to the need for clear rules regarding the treatment of products and economic operators from third countries, however cautions against the use of procurement for protectionist purposes; underlines, in this context, that European preference should be compliant with the Union's WTO commitments;***

6. ~~Opposes the preferential treatment given to green technologies in public procurement; stresses that~~ ***support measures should not distort the level playing field;*** ~~if a technology that cannot sustain itself in the market without subsidies, it is a clear indication that it may not be commercially viable;~~ ***reiterates the importance for European public procurement to remain as open as possible and*** insists that ~~they~~ public procurement must remain technology neutral and competition-driven; ***highlights that long-term commercial viability should be a guiding principle when assessing technologies for public investment;***

Compromise amendment covering the following amendments: 317, 319, 320, 324, 328, 329, 330, 339, 340, 343, 347, 348, 349, 350, 351, 360, 361, 362, 368, 374, 375, 376, 378, 383, 390, 393, 472, 473, 711, 60 EMPL, 61 EMPL, 62 EMPL, 63 EMPL, 29 INTA- the other relevant AMs fall (see voting list)

### **Main challenges**

7. 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 business **and social economy enterprises, which creates** ~~and creating~~ an uneven playing field; **notes the varying degrees of implementation of Green Public Procurement across Member States, with only one-third introducing binding obligations and the remainder opting for voluntary approaches;**
- 7a. 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 they may choose to supply goods in-house, cooperate with other public entities, or engage the market through procurement procedures; believes that freedom and autonomy of public authorities should be safeguarded and respected;**
8. 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 further, 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; recognizes 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;**
9. 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; **additionally, the lack of a interoperable digital infrastructure for procurement platforms remains a barrier for businesses, particularly SMEs, contributing to inefficiencies and increasing costs;**

10. 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 **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 prior call for competition advertising, 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;**
11. **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;** Highlights **notes that in certain cases** public contracts continue to be awarded primarily based on the lowest price criterion, **including due 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 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;**
- 11 a. **Emphasizes that the complexity, excessive qualification criteria and increasing bureaucratic burden of procurement processes disproportionately affect SMEs, local businesses and national contractors 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, due in particular to recurring payment delays in some Member States, the 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 sense of opacity in the processes;**

**11b. Recalls that the Strategic Analysis Report on the construction sector of the European Labour Authority (2023) and the Commission report on the application and implementation of the revised Posting of Workers Directive (2024) have determined that long and complex subcontracting chains can pose numerous challenges for labour enforcement authorities when they are used to escape legal responsibilities and may lead to unclear accountability and difficulty to ensure 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 non-performance of public contracts, and in some cases even hampers authorities wishing to take proactive measures;**



Compromise amendment covering the following amendments: 367, 404, 405, 408, 413, 416, 417, 419, 420, 421, 426, 430, 432, 439, 447, 451, 538, 65 EMPL - the other relevant AMs fall (see voting list)

### **Areas for improvement**

12. Notes the ongoing debate on ***that there is currently a strong demand for updating public procurement thresholds in light of the significant increase in inflation and construction costs in the EU; calls on the European Commission to assess the possibilities for advocating an increase in the thresholds at the international level and introduce a mechanism taking into consideration inflation rates; points that increasing thresholds gives contracting authorities greater independence and possibilities to award contracts based on local needs***; stresses, however, that the revision should instead focus on reducing administrative burdens and simplifying procedures, as these remain the root cause of many challenges; stresses that addressing these issues effectively would eliminate the need for a discussion on threshold adjustments; ***points 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 thus the Commission's efforts should go beyond merely negotiating threshold values***;
- 12a. Notes that while six different procurement procedures provide for flexibility, some of them are hardly employed, such as innovation partnerships, due to the complexity and bureaucratic hurdles; believes that streamlining and aligning data reporting obligations for contracting authorities at national and EU levels as well as basic data interoperability requirements has potential to deliver added value; considers as essential that the Commission and 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;
13. Advocates a clearer distinction between contracting authorities and public undertakings, recognising that the latter often engage in business-driven projects; ***underlines that the freedom and autonomy of public authorities must always be safeguarded and respected; Emphasizes that the 2014 reform explicitly acknowledges the right of public authorities, to provide and organize their services***

***independently through their own institutions, businesses, or public undertakings; stresses that direct provision of services by public or local authorities, in-house provision of services, public-public cooperation are and should remain available options;***

- 13a. 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 utility; believes that the Commission should analyse this issue in the upcoming impact assessment;***
- 13b. Recalls with concern that a significant number of economic operators have experienced exclusion from public procurement procedures due to minor formal irregularities in their tenders, without being afforded the opportunity to remedy such defects, whether in open or negotiated procedures; underlines that this practice is detrimental both to the economic operators, who may have invested considerable time and resources in preparing their tenders, and to contracting authorities, who may be compelled to exclude potentially the Most Economically Advantageous Tender 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 for cancellation of 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 whilst ensuring legal certainty for contracting authorities, including for small and medium-sized contracting authorities (SMCAs);***
- 13c. Promotes fair competition among bidders by ensuring that award criteria should be designed taking into account new entrants, start-ups, SMEs, and innovative businesses, fostering market diversity and competitive pricing;***

Compromise amendment covering the following amendments: 488, 492, 494, 495, 496, 499, 501, 502, 503, 504, 505, 506, 507, 508, 509, 512, 515, 516, 519, 520, 521, 523, 526, 529, 533, 534, 536, 69 EMPL - the other relevant AMs fall (see voting list)

### ***Digital transformation of European public procurement***

14. Strongly believes that digitalisation should remain a key element in lowering costs and streamlining public procurement for contracting and bidding entities, ***especially VSEs and SMEs***; ~~points out~~ ***suggests***, however, that to fully harness the potential of digital tools, the Commission and the Member States must completely rethink how future procurement legislation should ***safely*** facilitate ***and secure*** digitalisation, rather than merely digitalising currently ***just digitalizing existing*** analogue ***and lengthy*** processes; ***underlines the importance of public procurement platforms to be accompanied by updated, clear, and specific guidelines and instructions to ensure that all users, regardless of their 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;***
15. ***Calls for the Commission to adopt a digital-first approach in the revision of the EU public procurement legal framework;*** recommends a particular focus on automating ***and ensuring the interoperability of*** certain processes, such as through moving to a transaction-based from an outdated notification-based system, reducing the amount of e-forms and integrating the European single procurement document and eCertis into broader administrative and business systems; ***considers that such transition shall reinforce the possibility of public scrutiny in the procurement process*** especially considering the potential offered by disruptive technologies such as artificial intelligence; ***this transition to automated, transaction-based systems would enhance real-time data capture, streamline procurement processes, and allow for better data utilization, particularly beneficial for SMEs;***
- 15a. ***Stress that establishing a pan-EU procurement data architecture with reliable, structured data collection is crucial for driving better intelligence and improving procurement performance across Member States; stresses, in addition, the importance of promoting interoperability between public databases, in order to speed up checks of 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, corruption, as well to create more procurement opportunities for SMEs and ensure that public spending achieves better value by combining European and national procurement datasets; requests the Commission to explore options for introducing a Public Procurement Digital Passport, with special attention for SMEs, as a tool to promote SMEs participation in public procurement; underlines the need to better use of existing tools such as eForms, eTender, eCertis and the PPDS, in order to move from analogue processes towards fully digital systems to make procurement decisions smarter;**

**15b. 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, due to the persistence of operational difficulties that continue to complicate the access of companies, particularly VSEs and SMEs, to procurement procedures; calls on the Commission to streamline and clarify standard procurement documentation, including the European Single Procurement Document; encourages the Commission and Member States to explore how procurement systems can interface with other well-functioning administrative systems and databases at national and EU level to improve EU's internal market;**

**15c. Calls on the Commission and Member States to ensure the enforcement of uniform cybersecurity standards aligned with the Cyber Resilience Act and the NIS2 Directive, where applicable, in all relevant EU public procurement legislation, as well as to ensure the EU data protection rules are met throughout all stages of the procurement process;**

**15d. Calls for the harmonisation of electronic identification and authentication processes across Member States to ensure secure, efficient, and trusted digital public procurement throughout the EU;**

**16. 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 them or eliminate them entirely;**

**17. 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 scaling 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 existence of certain challenges that undermine effective use of GovTech and that should be addressed in the future;***

Compromise amendment covering the following amendments: 243, 452, 458, 539, 541, 555, 556, 557, 558, 559, 560, 566, 568, 569, 570, 572, 574, 575, 583, 584, 598, 601, 611, 633, 673, 676, 758, 775, 787, 72 EMPL - the other relevant AMs fall (see voting list)

### ***Specific recommendations for improving European public procurement***

18. Calls for a revision of the EU public procurement framework focused on ***boosting European competitiveness, a more sustainable economy, protecting our resilience, legal certainty as well as digitizing, reducing and simplifying the rules both for contracting authorities and bidders, while ensuring security of supply for certain vital technologies, products and services, promoting quality jobs and delivering for citizens, including by respecting collective bargaining agreement in accordance with the national law and practice***, stresses that the Commission should propose a harmonisation limited to essential aspects 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 to promote 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 the improvement of ***legal certainty***, efficiency and predictability, as well as the reduction of excessive administrative burdens on contracting authorities and bidders, while maintaining sufficient ***increasing*** flexibility, ***freedom of choice and autonomy for contracting authorities***, to ensure the prudent use of taxpayers' money;

***18 a. Highlights the need of training contracting authorities by explaining the rules and clarifying sufficiently the use of the non-price criteria, including legal basis for the Most Economic Advantageous Tender (MEAT) criteria and necessity 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 and maintaining adequate possibilities of oversight and access to data; encourages the Commission to further strengthen professionalisation and training of procurement officials and suggests that the Commission increases funding for further training of contracting authorities to effectively implement the EU public procurement framework;***

- 18 b. Notes that awarding public contracts based solely on the lowest price might encourage unfair competition and that it is at the expense of quality, sustainability, social standards; insists that more contracts should be awarded based on the best price-quality ratio, through use of Most Economic Advantageous Tender (MEAT), 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 consideration should be given a substantial weight in the total rating and final decision on award of contracts;**
- 18 c. Recommends that concrete actions shall 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 Notice (VEAT); calls, depending on the value of the procurement, for such notice to be published in the Official Journal of the European Union, and on the website or other public platform of the relevant contracting authority; 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 adding undue administrative burden to the contracting authorities;**
- 18 d. Calls for revision of 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 procedure 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 a 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;**
- 18 e. 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;***

- 18 f. Calls for the full use of all flexibilities provided under the GPA in the 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 flexibilities 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;***
- 18g. Emphasizes that various sector specific public procurement rules are fragmented and may be difficult to implement for both businesses and local governments;***
- 18h. 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 ensuring that sectoral legislation remains harmonised with the overall procurement frameworks and remains restricted to technical specifications;***



Paragraphs 19-20a	CA6
-------------------	-----

Compromise amendment covering the following amendments: 577, 581, 594, 595, 596, 597, 599, 603, 604, 605, 606, 607, 608, 612, 613, 614, 616, 619, 623, 79 EMPL, 89 EMPL, 90 EMPL- the other relevant AMs fall (see voting list)

19. 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 the discretion of contracting authorities; highlights the need for support to 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 use of other criteria than price only;**

19 a. **Notes that greater integration within the public procurement market is crucial for realising the strategic goals of the European Union, provided that it 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;**

19 b. **Stresses that SMEs should be supported to explore other Member State markets; calls for sharing best practices across the EU and simplifying cross-border procurement procedures; calls on the Member States to stimulate business participation in cross-border public procurement by refraining from using criteria of language for declining bids in tender procedures;**

19 c. **Calls on the Commission to streamline as much as possible administrative processes to ease burdens, refining selection criteria for effective procurement and boosting administrative capacities; believes that standardised criteria make for more accessible and attractive contracts for SMEs, which is essential for fostering wider participation and driving innovation in the sector issuing a standardised criteria in the form of non-binding Commissions guidelines is highly recommended;**

19 d. **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, in this context, the Commission to support the development of data-driven risk analytics platform connected with supplier registries and both EU and national debarment databases within the Public Procurement Data Space, including the integration of procurement, company, and sanctions data to enable proactive fraud detection and integrity monitoring;**

- 19 e. Considers that the introduction of a European 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; indicates that cross border information sharing of a certain trader being excluded in one Member State is not a prerequisite for exclusion in another Member State;**
- 19 f. Urges the Commission to study the feasibility of a European 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 secure whistleblowing mechanisms;**
- 20. Considers that more 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 burden 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 both 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 provide for shorter and more consistent tender documents;**
- 20 a. Welcomes the priority given by the European Commission to reduce 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 that basis;***

<b>Paragraphs 21-24a and recitals Hc, Hd, Db, Dc and Kb</b>	<b>CA7</b>
---	------------

Compromise amendment covering the following amendments: 119, 131, 150, 152, 158, 168, 195, 201, 209, 210, 220, 307, 314, 315, 318, 325, 326, 336, 435, 456, 459, 461, 462, 477, 571, 573, 593, 617, 624, 625, 627, 628, 629, 630, 631, 634, 635, 638, 639, 641, 648, 649, 651, 652, 654, 655, 656, 661, 664, 665, 666, 667, 668, 669, 674, 678, 679, 680, 681, 682, 684, 685, 689, 692, 693, 699, 757, 37 EMPL, 77 EMPL, 91 EMPL, 93 EMPL - the other relevant AMs fall (see voting list)

21. ~~Recommends that~~ ***Calls on*** the Commission, ~~fully utilise current~~ ***Member States and contracting authorities to make full use of the available tools such as the Union's trade defence toolbox, to prevent unfair competition from non-EU countries that discriminates against EU countries participation to 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 Union may restrict access to its public procurement markets in response to breaches of international trade rules, including WTO-incompatible increases in customs duties; in addition, encourages to undertake decisive action through the Foreign Subsidies Regulation; highlights, moreover, the possibilities offered by Regulation (EU) 2023/2675 on the protection of the Union and its Member States from economic coercion by third countries, emphasises too slow nature of the procedures followed before the implementation of rebalancing measures; calls on the Commission and the Council to allow procedures enabling quicker reaction; recalls that third countries that are not part of the GPA or have not concluded international agreement with the EU guaranteeing equal and reciprocal access to public procurement cannot claim equal treatment in the area of public procurement, as stated in the case law C-652/22;***
- 21a. ***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;***
22. ***Notes that a significant proportion of contracts in most Member States are awarded based on the lowest price bid;*** ~~urges the Commission and the Member States to take decisive action, against non-EU entities that exploit state subsidies to gain an unfair advantage in procurement processes; recommends the introduction of stronger~~

~~measures against abnormally low bids put forward by non-EU entities, such as mandating independent cost assessments and ensuring that price undercutting does not undermine fair market competition;~~ **highlights the need to ensure that third-country 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 third-country 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 third-country bidders in public tenders, particularly in the case of projects financed with European funds;**

**22 a. Underlines that abnormally low tenders, especially from third-country 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;**

**22 b. Calls for the outermost regions to continue benefiting from derogatory measures justified by 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 third countries;**

23. Seeks to ensure that public procurement incorporates mechanisms that support regional economic resilience, **creation of quality local jobs**, ~~the equitable distribution of opportunities and the sustainability of local economies, which will balance out the disproportionate centralisation~~ **contributing to a more balanced distribution** of economic activity **between** ~~in~~ **urban and non-urban areas;** ~~hubs;~~ underlines, in this context, the role of agriculture producers and their supply chains **as well as the paramount role of services of general economic interest;**

***invites the Commission to assess the recommendation of the Draghi report to provide contracting authorities with a possibility to set an explicit minimum quota for selected locally produced products, where necessary and possible, in public procurement; emphasizes that public procurement practices should foster economic growth without unduly favouring specific sectors or regions, while recognising the importance of reinforcing the possibility for contracting authorities to give greater weight to social and sustainability criteria, including environmental and climate-related considerations, where they deem it appropriate;***

**23 a. *Recognises the particularities and strategic role of public procurement to strengthen 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;***

**23 b. *Supports increased flexibility in public-public partnerships, enabling public authorities to work together more effectively to enhance service delivery and reduce costs and 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 for the purpose of efficient task fulfilment (public-public cooperation) from the scope of the procurement directives, without further restrictive conditions;***

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

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

**23e. *Underlines, in light of the case-law of the Court of Justice of the European Union, including Case C-395/18, that contracting***

**authorities are entitled to include in procurement documentation requirements based on national labour law, such as binding collective agreements, minimum employment standards, equal pay provisions, and other relevant social criteria; welcomes the clarification by the Court of Justice of the European Union (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 by clarifying 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;**

**23f. 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 in Article 18(2) of Directive 2014/24/EU relating to environmental, social and labour law constitute a binding principle;**

**23g. 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 existing EU legislation; calls on the Commission in the context of the forthcoming fitness check on the Union 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 of 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 the Commission to 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 European competitiveness in future lead markets; believes that strengthening the market for secondary materials should form part of this approach; stresses in that context that the development of such toolbox shall 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 lifecycle, diversity and availability of relevant products and services, and adheres to the principle of technological neutrality; (c) it preserves fair competition;**

24. Recommends the implementation of strategic procurement models that prioritise **the interests of the Union 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 objectives of the Union,** particularly in **strategic** sectors; such as healthcare, energy and security

**24a. Requests the Commission to conduct an in-depth impact assessment, in the context of the upcoming review of public procurement framework, on the ways and implications of prioritizing ‘European preference’ principle in procurement related to strategic industries with the aim of ensuring the continuity of critical capabilities in Member States and increasing resilience, security, competitiveness and strategic autonomy; emphasizes 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 international legal commitments and not excluding likeminded partners, underlines that any measures to promote the participation of European companies do not amount to protectionism or distort competition; recognises in that context importance of business that invest and reinvest within the Union, thus supporting European economy, welfare of workers and local communities; invites further the Commission to examine opportunities to boost the participation of European companies in procurement processes launched for projects financed by European institutions or by**



***extension of the preference system set out in article 85 of Directive 2014/25/EU to contracts awarded by contracting authorities;***

**Corresponding recitals**

**NOTE: THE REST OF RECITALS IS COVERED UNDER CA11**

***Db. 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;***

***Dc. 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;***

***Hc. 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, 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 to social economy actors;***

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

***Kb. whereas applying the Most Economically Advantageous Tender (MEAT) criterion, taking into account product life-cycle and environmental impact, may support rational and long-term public procurement decisions;***

<b>Paragraphs 24b-27g</b>	<b>CA8</b>
---------------------------	------------

Compromise amendment covering the following amendments: 147, 694, 695, 697, 701, 702, 705, 706, 709, 712, 713, 714, 715, 716, 718, 719, 720, 722, 723, 725, 726, 727, 729, 730, 732, 734, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 747, 748, 759, 761, 80 EMPL, 84 EMPL - the other relevant AMs fall (see voting list)

**24b. Stresses the specific challenges faced by electricity grid operators, with increased delivery times and costs; calls for simplifying and ensuring the flexibility and efficiency in public procurement procedures for electricity grid operators; advocates for more consistency between EU regulations impacting the public procurement of electricity grids;**

**24c. Underlines the importance of unlocking investments in the market for public procurement and concessions, and calls on the Commission to examine whether the existing 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;**

**24d. Stresses the need to avoid unnecessary administrative burden 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 the Commission, when assessing options for introducing new criteria in public procurement, to ensure 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;**

**25. 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 in managing their procurement policies; notes that European 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, as to strengthen European actors in public procurement bids;**

- 25 a. ***Points at out the importance of encompassing the Net Zero Industry Act 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 the significant dependency on a single third country not part of international procurement agreements;***
- 25 b. ***Supports the further digitalisation of public procurement processes, which will aims at reducing administrative burdens, improve efficiency and competitiveness, enhance transparency and facilitate access for SMEs and cross-border bidders, while ensuring compliance with security standards;***
26. ***Calls for enhanced VSEs, SMEs, start-ups and social economy actors support mechanisms to enable smaller businesses 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 for reducing bureaucratic constraints that disproportionately affect SME, start-up and scale-up participation, 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 tender calls, as well as limits on excessive financial capacity and proof-of-past performance requirements; signals the need for supporting SMEs in identifying partners; a mandatory SME test on new rules, tailored financial instruments, technical assistance programmes and a reduction in bureaucratic constraints that disproportionately affect SME participation;***
27. ***Calls for the urgent simplification of selection criteria, and in that context, further 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; and the creation of a digital database for pre-qualified SMEs to streamline their participation in public procurement; notes the chance that the accreditation systems could offer a possibility to determine companies' technical, financial capacity but also professional integrity prior to the tender process and that criteria of professional integrity should encompass 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;*** stresses that the EU public procurement framework must ensure equitable access for SMEs and local businesses by promoting simplified procedures, proportional requirements and local businesses by promoting simplified procedures, proportional requirements and the mandatory division of contracts into smaller lots to prevent dominance by large entities;

**27 a. 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 in their tender application information that is already publicly available and by applying proportional requirements based on the local context and; calls on the Commission to consider mainstreaming division of contracts into smaller lots to prevent dominance by large entities and foster competition, while taking into account that contracts should not be divided where there is a genuine technological or efficiency justification; 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;**

**27 b. 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 to promote the participation of start-ups and SMEs by adapting rigid reference requirements that disproportionately hinder newly-established companies; calls for, where appropriate, a 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;**

**27 c. 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 the Commission to particularly consider enterprises with less experience, which should use the tools to better understand and interpret the procurement documents;**

- 27 d. Reiterates that equitable access to public procurement procedures necessitates a simplification and clarification of rules for contracting authorities;**
- 27 e. 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; emphasizes that innovative solutions are more easily integrated into procurement when variant bids are generally allowed; 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;**
- 27 f. Calls on the Commission to ensure the ‘once only’ principle is applied consistently at all levels of administration in public procurement, so that bidders only have to provide certain standard information to the authorities and administrations once in order to reduce administrative burdens; recognises that allowing bidders to use self-declarations of compliance instead of submitting numerous administrative documents at the initial stage can reduce burdens and increase efficiency in many cases; calls on the Commission to identify where such practice could be applied appropriately, while ensuring legal clarity and safeguards;**
- 27 g. 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 case 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 their implementation still leaves room for improvement;**

<b>Paragraphs 27h-30c</b>	<b>CA9</b>
---------------------------	------------

Compromise amendment covering the following amendments: 449, 622, 746, 751, 753, 766, 767, 768, 769, 770, 784, 785, 789, 78 EMPL - the other relevant AMs fall (see voting list)

- 27 h. Recognises that while subcontracting allows for greater flexibility, access to specialized skills, and cost savings, it can also bring potential risks like weakened accountability, heightened the risk of labour rights violations and obstructed effective enforcement; calls on the Commission to assess the impact of public contracts being carried out predominantly by the successful tenderer with direct workers and recommends that public procurement rules encourage the companies to have adequate in-house staff to carry out the projects for which they are awarded public contracts; calls on the Commission, in order to end abusive subcontracting and 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;**
28. 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;**
29. **Notes that the rules on innovation procurement remain underused;** calls for the **evaluating the need to further establish** establishment of 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;**
- 29a. 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 familiarize themselves with the existing legal framework and concepts such as defining the subject-matter and design appropriate selection and award criteria; asks the Commission to develop and promote similar programs at EU level with a focus on making better use of non-price criteria by establishing "ready-to-use" environmental and social criteria;***

30. ~~Supports a framework for robust emergency procurement measures that enables rapid response mechanisms for critical supply shortages, ensuring that procurement rules allow for accelerated processes without compromising competition and transparency;~~

***30a. 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 services of high quality; 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;***

***30b. Calls for a better use of the option laid down in Article 71(3) of the Public Procurement Directive 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;***

***30c. 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 more competitive, fair, transparent, strategic and equitable procurement environment; believes such actions can contribute to understanding the issue of low competition in public procurement better, as well as to shaping new proposals which can better simplify accessibility to tenders for enterprises;***

<b>Citations</b>	<b>CA10</b>
------------------	-------------

Compromise amendment covering the following amendments: 1, 2, 3, 4, 7, 10, 24, 25, 29, 30, 31, 35, 36, 37, 39, 40, 42, 43, 4 INTA, 6 INTA, 1 EMPL, 5 EMPL, 12 EMPL, 13 EMPL, 15 EMPL, 17 EMPL - the other relevant AMs fall (see voting list)

*The European Parliament,*

- ***having regard to the Treaty of the European Union, in particular Article 3(3), (1, EMPL 1)***

- having regard to the Treaty on the Functioning of the European Union, in particular Article 114, ***Article 151 and Article 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<sup>1</sup>,
- 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<sup>2</sup>,
- 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<sup>3</sup> (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),<sup>4</sup>***

<sup>1</sup> OJ L 94, 28.3.2014, p. 65, ELI: <http://data.europa.eu/eli/dir/2014/24/oj>.

<sup>2</sup> OJ L 94, 28.3.2014, p. 243, ELI: <http://data.europa.eu/eli/dir/2014/25/oj>.

<sup>3</sup> OJ L 335, 20.12.2007, p. 31, ELI: <http://data.europa.eu/eli/dir/2007/66/oj>.

<sup>4</sup> OJ L 173, 30.6.2022, p. 1, ELI: <http://data.europa.eu/eli/reg/2022/1031/oj>



- **having regard to the European Accessibility Act (Directive (EU) 2019/882) and the Web Accessibility Directive (Directive (EU) 2016/2102),**
- **having regard to the Court of Justice of the European Union (CJEU), in its judgement of 30 January 2020 (Case C-395/18),**
- **having regard to the recent judgments from the CJEU on the participation of foreign bidders in EU public procurement procedures (Case C-652/22 and C-266/22),**
- **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 report of the European Commission entitled 'SME needs analysis in Public Procurement' (2021),**
- **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 ILO convention C94 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'<sup>5</sup>,
- having regard to the European Court of Auditors' Special report 28/2023 of 4 December 2023 entitled 'Public procurement in the EU. Less competition

---

<sup>5</sup> OJ C, C/2024/7061, 4.12.2024, ELI: <http://data.europa.eu/eli/C/2024/7061/oj>.

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 No. 28/2023 entitled 'Improve a fair and effective competition for EU public procurement contracts awarded for works, goods, and services',
- having regard to its resolution of 16 December 2020 on a new strategy for European SMEs<sup>6</sup>,
- having regard to its resolution of 13 July 2023 on the state of the SME Union<sup>7</sup>,
- **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 European Parliament study of 24 October, 2023 'The social impact of public procurement - Can the EU do more?'**,
- **having regard to the European Labour Authority report of May 2024 'Evaluating policy responses to prevent undeclared work in public procurement contracts',**
- having regard to the reports **on "The future of European competitiveness"** by Mario Draghi and **"Much more than a market"** by Enrico Letta,
- 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 (A10-0000/2025),

---

<sup>6</sup> OJ C 445, 29.10.2021, p. 2.

<sup>7</sup> OJ C, C/2024/4013, 17.7.2024, ELI: <http://data.europa.eu/eli/C/2024/4013/oj>.

Compromise amendment covering the following amendments: 47, 48, 49, 52, 53, 56, 57, 58, 61, 63, 64, 65, 66, 67, 68, 71, 73, 74, 77, 78, 79, 80, 81, 83, 84, 89, 90, 92, 93, 94, 95, 96, 98, 100, 105, 106, 107, 108, 109, 110, 111, 113, 120, 122, 123, 136, 138, 139, 141, 142, 145, 146, 148, 153, 155, 159, 160, 161, 169, 171, 172, 173, 174, 176, 177, 179, 185, 189, 7 INTA, 9 INTA, 10 INTA, 11 INTA, 12 INTA, 13 INTA, 14 INTA, 15 INTA, 17 INTA, 19 INTA, 23 EMPL, 28 EMPL, 29 EMPL, 35 EMPL, 38 EMPL, 42 EMPL, 45 EMPL, 48 EMPL, 51 EMPL - the other relevant AMs fall (see voting list)

- 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 enterprises,** innovation, **sustainability,** ~~and social cohesion,~~ **as well for promoting local industry and quality jobs in the European Union, and for supporting the transition towards resilient supply chains and business models, including in the subcontracting chains;**
- A a. whereas local and regional governments, as the largest investors and contracting authorities in the Union, are increasingly constrained by stringent Union 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;**
- A b. whereas public procurement can drive spill-over effects that increase the demand for sustainable goods and services across the whole market, as well support the creation of lead market;**
- B. whereas the 2014 reform aimed to simplify procedures, enhance the **transparency and the fight against corruption, promote** participation of small and medium-sized enterprises (SMEs), **innovative start-ups** and integrate strategic procurement objectives **through a voluntary approach,** yet challenges remain in **transparency,** efficiency, **broader use and alignment of non-price criteria,** access to data and streamlining enforcement, **as well the prevention of fraud and corruption;**
- Ba. 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 European Court of Auditors' Special Report No. 28/2023 noted that major part of contracts are still awarded on the basis of the lowest-price criterion only 2021; whereas 20 Member States awarded more than 50 percent of their public tenders based on price alone in 2023, of which 10 Member States awarded more than 80 percent of their public tenders based on price alone;**

**Bb. whereas the European Court of Auditors' Special Report No. 28/2023 concluded that the level of competition for public contracts decreased since 2014, and that in the majority of Member States the incidence of award criterion based on lowest price even increased over the period under review;**

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

**Bd. 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 ELA also notes 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;**

**C. whereas the Commission's final report entitled 'SME needs analysis in public procurement'<sup>8</sup> points out that public procurement practices still need to be **clarified**, simplified and standardised, **while taking into account specificities and differing administrative systems of the Member States;****

**C a. whereas direct cross-border procurements remain limited to just 5%<sup>9</sup> of all procurement contracts, indicating persistent barriers to cross-border competition, market access and complex procedures; note that this figure doesn't take into account the participation of**

---

<sup>8</sup> [European Commission: Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs et al., SME needs analysis in public procurement – Final report, Publications Office, 2021.](#)

<sup>9</sup> 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

***other Member States subsidiaries in the country where procurement procedures take place;***

- Cb. whereas the Commission highlights several legal uncertainties in promoting socially responsible and innovative public procurement<sup>10</sup>; whereas these legal uncertainties include, among others, difficulties in connecting social considerations to the subject matter of a contract;***
- Cc. whereas the Commission 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’<sup>11</sup>;***
- D. whereas the revision of public procurement directives should focus on encouraging qualitative criteria, streamlining procurement procedures and ensuring best value for tax-payers money; whereas, nevertheless, public procurement regulations 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 offered in order to encourage a greater quality orientation and flexibility of public procurement;***
- D a. whereas public procurement remains a neutral and procedural tool, regulating how public authorities buy goods and services, not what they buy;***
- Db. (...) VOTED SEPARATELY IN CA7***
- Dc. (...) VOTED SEPARATELY IN CA7***
- E. whereas it is necessary to support trust in public procurement; whereas a lack of transparency and fairness in procurement procedures, including concerns over favouritism, unclear selection criteria and insufficient oversight mechanisms and insufficient exclusion and sanctioning, undermines trust in public contracting and creates opportunities for corruption; whereas the over-reliance on lowest price criteria may in some cases exert downward pressure on quality services, safety and working conditions and may have***

---

<sup>10</sup> Commission report entitled ‘Implementation and best practices of national procurement policies in the Internal Market’, May 2021 (COM(2021)0245).

<sup>11</sup> Commission President’s political guidelines of 18 July 2024 entitled ‘Europe’s Choice – Political Guidelines for the Next European Commission 2024-2029’, p. 11.

**detrimental long-term economic impacts on procuring authorities; whereas there have been cases of contracts being awarded in the absence of actual competition and with a lack of effective external control and opacity in the selection criteria, which highlights the urgent need to strengthen the principles of transparency, equality and legality at all stages of public procurement procedures;**

- Ea. whereas the Commission President has committed to a revision of the Public Procurement Framework with a view to “enable preference to be given to European products in public procurement for certain strategic sectors;<sup>12</sup>**
- F. whereas European businesses, particularly small and medium-sized enterprises, 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 European companies; whereas, in addition to protectionist policies, fair competition is often distorted by product subsidisation on the part of governments of third countries, discriminatory measures and a lack of reciprocity and of legal certainty;**
- Fa. whereas, the EU has recently added the International Procurement Instrument and foreign subsidies regulation 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 economic operators of third countries in accordance with Directives 2014/23/EU<sup>13</sup>, 2014/24/EU and 2014/25/EU, Directive (EU) 2024/1760<sup>14</sup> and other EU legislation;**
- Fb. whereas the WTO Agreement on Government Procurement 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, as well as an updated inflation adjustment mechanism;**
- F c. whereas the judgments from the Court of Justice of the European Union on the participation of foreign bidders in EU public procurement procedures (Case C-652/22 and C-266/22) clarify that**

---

<sup>12</sup> Commission President’s political guidelines of 18 July 2024 entitled ‘Europe’s Choice – Political Guidelines for the Next European Commission 2024-2029’, p. 11.

<sup>13</sup> 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>.

<sup>14</sup> 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>

**foreign bidders from countries which have not concluded in a multilateral, plurilateral or bilateral agreement do not have secured access to the EU procurement market; whereas the Court 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;**

- G. whereas an increase in geopolitical tensions leads to a reshuffle in international trade and new economic dynamics, **resulting in new strategic dependencies emerging, driven by import concentration and limited import substitutability**, and poses risks to the stability of supply chains, **whereas this requires enhanced and strategic use of public procurement in supporting European economy and resilience capacity, reducing harmful dependencies and strengthening Europe's strategic autonomy;**
- H. whereas public procurement policies should prioritise economic feasibility over other objectives, ensuring that green products and services offered in tenders are competitive without undue reliance on government subsidies and preventing undue costs and the inefficient spending of taxpayers' resources **promote European competitiveness and innovation;**
- Ha. whereas the lowest price is an important award criterion in most tenders in the EU - in some Member States even in up to 95 %<sup>15</sup> of cases or sometimes even a sole criterion considering both tender and award stages of procurement; whereas the European Labour Authority (ELA) in its May 2024 report Evaluating policy responses to prevent undeclared work in public procurement contracts, observes that reliance on the lowest-price criterion—particularly in labour-intensive sectors where staff costs dominate—can exacerbate undeclared work and may undermine service or product quality, sustainability and social standards;<sup>16</sup> whereas SME representatives and interviewed small and medium-sized enterprises repeatedly report that contracting authorities ignore the horizontal social clause, noting that they award contracts solely on the lowest price, which encourage abnormally low bids and discourage participation of bidders who comply with labour laws and practices;**
- Hb. whereas the Court of Justice judgment in Case C-395/18<sup>17</sup> confirms that the requirements in Article 18(2) of Directive 2014/24/EU that economic operators must comply, in the performance of public contracts, with obligations relating to environmental, social and**

---

<sup>15</sup> ECA Special report 28/2023, figure 11.

<sup>16</sup> ELA report of May 2024 entitled 'Evaluating policy responses to prevent undeclared work in public procurement contracts'

<sup>17</sup> Judgment of 30 January 2020, Tim SpA — Direzione e coordinamento Vivendi SA v Consip SpA, C-395/18, ECLI:EU:C:2020:58

***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;***

**Hc. (...) VOTED SEPARATELY IN CA7**

**Hd. (...) VOTED SEPARATELY IN CA7**

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

- I. ***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 digitalization can, furthermore, contribute to simplifying access for businesses, particularly micro, small, and medium-sized enterprises (SMEs), to public procurement as well as reduce bureaucratic burden for smaller contracting authorities;***
- Ia. ***whereas rather than adopting a ‘European only’ stance, the EU should focus on the best possible quality supply, while taking into account a wide range of conditions, including price, safety, quality, sustainability, resilience and labour conditions, and on the promotion of partnerships with its democratic allies;***
- J. ***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, excessive disproportionate administrative requirements and 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;***
- K. ***whereas procurement strategies can promote an economic environment conducive to local growth*** ~~must prioritise economic retention within local economies, enhancing community wealth, job creation and long-term financial stability, thereby strengthening~~ ***as much***



**as possible** the role of SMEs, **including start-ups and social economy organisations**, in public tenders; (153, 155)

**Ka. whereas Article 27 of the UN CRPD 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;**

**Kb. (...) VOTED SEPARATELY IN CA7**

**Kc. 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; to prevent these implementation gaps and ensure consistent application, detailed guidance frameworks must be established to assist Member States in effective rule transposition**

**Kd. 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 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;**