

Workshop on Social Aspects of Products over the Whole Life Cycle

Social Considerations in Public Procurement Guide to “Buying Social”

Berlin, 30 May 2011

By Sue Bird
European Commission
DG Employment, Social Affairs and Inclusion

Social Europe



European Commission

Context: Corporate Social Responsibility

- March 2006 Communication –
“Implementing the partnership for growth and jobs: making Europe a pole of excellence on corporate social responsibility”
- More integrated labour markets, higher levels of social inclusion, more recruitment of people from disadvantaged groups

Need for Action on the Social Considerations in Public Procurement

- 16% of EU GDP from public spending – leverage for the common good
- Clarity
- Study and guide
- Guide published in February 2011

Legal Basis

- Directives 2004/17/EC and 2004/18/EC
- European Court of Justice case law
- Commission Communication of 2001
- Study on equality and diversity in public procurement in 2003
 - Public purchasers who wish to can integrate social considerations in public procurement as long as the principles of value for money for taxpayers and equal access for all EU suppliers are respected

Terms of Reference of the Study

- What is socially-responsible public procurement and why it is important
- A strategy for awarding authorities
- Assess what is legally possible at all stages of the procurement process
- Added value of socially-responsible public procurement
- Case studies

Study Deliverables

- Inventory of typical applications of SRPP
- Policy and regulatory frameworks for SRPP
- Six case studies (equal opportunities for all, gender equality, health and safety, employment and vocational training, decent work, accessibility and design for all)
- Elements for draft guide

Key Findings

- Framework is complex and evolving fast at MS level
- Different practices at different levels within MS
- Guides in use already
- Scope for limited technical interpretations to enable SRPP to be incorporated legally
- Need for peer learning
- Commission's "Green" guide an example, but significant adaptation needed
- Need to establish business case – assess costs and benefits

Structure of the Guide (1)

- Buying Social: key issues
- An organisational strategy to buy social
- Identifying the needs and planning the procurement
- The contract
 - Defining requirements
 - Selecting
 - Awarding
 - Performance

Structure of the Guide (2)

Ch. I: Buying Social: Key Issues

- Definitions
- Benefits of socially-responsible public procurement
- Link to EU social model
- Legal and policy approach

Structure of the Guide (3)

Ch. I: Buying Social: Key Issues

Definitions:

- Employment opportunities
- Decent work
- Social and labour rights
- Social inclusion
- Accessibility and design for all
- Ethical trade
- CSR
- Human rights
- SMEs

Structure of the Guide (4)

Ch. I: Buying Social: Key Issues

Benefits of socially-responsible public procurement:

- Assist compliance with social and labour law
- Stimulate socially-conscious markets
- Demonstrate socially-responsible governance
- Stimulate integration

Structure of the Guide (5)

Ch. I: Buying Social: Key Issues

Link to EU social model:

- Sustainable economic growth and improved living/working conditions
- Maintain EU “social” profile
- Evidence of social mainstreaming

Legal and policy approach:

- EU legislation and social dialogue / OMC / ESF financial support
- Link to Directives and previous Communications
- SSGEI

Structure of the Guide (6)

Ch. II: An Organisational Strategy to Buy Social

- Defining objectives
- Political leadership
- Measuring and prioritising
- Raising awareness
- Implementation
- Monitoring and control

Structure of the Guide (7)

Ch. III: Identifying the Needs and Planning the Procurement

- Assessing actual needs
- Defining the subject matter
- Increasing access
- Sheltered workshops

Issues Provoking Discussion

- Lowest cost/best value
- Supply chain/sub-contractor links
- Fair/ethical trade
- Collective agreements
- Link to subject matter of the contract
- Contract performance
- Sectoral guides

Next Steps

- Cost-benefit assessment model for public tenders
- Series of training seminars
- Open consultation on the 2004 Directives by DG MARKT