



## **NEW EUROPEAN BAUHAUS**

### **needs to be based on quality procurement:**

**The implementation of the objectives of the Green Deal and the Bauhaus Initiative in the construction sector on a broad day-to-day basis in Europe requires the open and quality-oriented procurement procedures for planning services. Obligatory application of the best bidder principle (MEAT) for planning services needs to be implemented across Europe.**

- **Well-defined and easily applicable ecological criteria in procurement law**

Although there are countries that already apply obligatory sustainability criteria in their procurement procedures, the results are in many cases disappointing. This is due to the fact that in many cases the criteria are unclear and very difficult to apply.

In order to reach a broad application of ecological criteria in projects across Europe it will be necessary to formulate easily manageable and applicable minimum environmental criteria for the materials to be used on the construction site. Such a solution has two goals: Giving preference to environmentally friendly and sustainable products and at the same time getting a grip on the future disposal problems with which our descendants will have to struggle if we continue to deal with so much plastic products in construction.

***The ECEC is ready and prepared to contribute to such an approach with the knowledge and experience of European Chartered Engineering Consultants.***

- **Quality competition for intellectual engineering services:**

The procurement of planning services must focus on competitive and quality performance and not on the "lowest price". Sustainable solutions can only be selected based on their content, not their price. High quality planning guarantees not only sustainable solutions but are a basis to save costs during the life cycle.

If a price criterion is applied it should be given a weighting of ideally 10 and up to the maximum of 20 percent: A price criterion requires a price corridor for the awarding of points. Offers that are not cost-covering have a negative impact on clients and public, because in such cases the service provider can/does not provide the full range of necessary engineering service and thus damages the outcome of the project and causes more costs during the life cycle. The client/procuring authority does not get the necessary quality for sustainable solutions (John Ruskin, Common law of business balance, usually expressed as "you get what you pay for").

Therefore, abnormally low tenders have to be clearly recognizable for clients. This requires service and cost models - published by independent expert institutions - that can be used for in-depth evaluation of tenders.

Fair public procurement procedures based on quality are also necessary in order to obtain the economic efficiency of independent engineers of which the vast majority are SMEs or Microenterprises. Their professional independence is also based on a financial independence that allows them to take decisions solely in the interest of clients and public. Based on their professional



independence and their high-quality education they are able to take sustainable decisions and prevent the different forms of greenwashing. The high-quality (continuing) qualification is in many countries guaranteed by legally based authorization schemes (ex-ante control systems). Abolishing these schemes would transfer the responsibility to insurances not based on public trust but on profit maximization. Solely based on a free market drive the Green Deal will not succeed.

***The ECEC has provided a guideline on Public Procurement of Engineering Services - Fair procedures ensure successful projects (2018) and a declaration on Performance profiles for Engineering Services: Cost optimization and quality assurance (2015)***

- **Methods for calculating the estimated value of procurement for planning services**

In order to estimate the value of procurement, directive 2014/24/EU determines the consideration of all costs associated with an order. The Commission considers that all planning services should be added together. The economic or technical function of the order must be taken into account, so this will quickly exceed the EUR 207,000 threshold and will require a Europe-wide call for tenders.

As this is often not adequate for the size of the project and also makes the access to the market for Microenterprises – that are often young and innovative offices – very difficult, an adaption of the European Procurement Directive 2014/24 EU is important. The estimate of the value of the contract for services should be calculated in the same way as the estimate of public supply contracts. Only similar planning services should be added.

Until the adaption of the Directive an increase in the threshold especially for planning services should be required (Council conclusions of 25 November 2020, which call on the Commission to review the economic impact on the internal market resulting from the application of the thresholds and to consider proposing an increase in the existing thresholds in the next round of negotiations).

***The ECEC in this context would like to generally stress that it is important to ensure that public procurement regulation does not contain any form of excessive requirements that are often a burden for many potential service providers with an SME structure. This can considerably reduce the intellectual competition and thus hinder perfect sustainable solutions.***