

Commission publishes report on new strategy for the single market

Source: PLC Competition legal update of 10 May 2010

On 10 May 2010, the European Commission published a report by former Commissioner Mario Monti on a new strategy for the single market. The report, which was prepared for Commission President Barroso, sets out options and recommendations for fulfilling the current Commission's key strategic objective of relaunching the EU single market. It details a new, comprehensive strategy for the single market, including a number of policy initiatives. In particular, the report advocates a reform of the public procurement rules.

Reform of the public procurement rules.

The report supports the Commission's review of the 2004 public procurement rules (see [Legal update... Commission announces review of public procurement rules \(www.practicallaw.com/3-502-0751\)](#)). In particular, it identifies the need to simplify and further modernise the public procurement rules in order to ensure a better enforcement of rules and provide greater openness to cross-border bidders. At present only 2% of contracts are won by cross-border suppliers. The Commission should consider whether categories of services that are currently excluded from the procurement rules merit such exclusion. The rules should be made simpler, more effective and less onerous for national and local authorities and also for SME contractors.

In addition, the report notes that some further clarification of the concept of "in house" awards would be beneficial as the current rules are regarded by some as restricting the ability of municipalities to provide services in the form they prefer. There could be scope for allowing the use of the negotiated procedure with prior publication as a "standard" procedure. Further, contracting authorities (especially local ones) could benefit from the more flexible regime allowed for utilities procurement relating to the use of qualification lists.

There is also greater scope for the public procurement rules to be used as a tool to achieve EU public policy objectives (such as climate change and energy innovation). This could be done by introducing the possibility of imposing mandatory requirements relating to policy objectives.

President Barroso has welcomed Professor Monti's report and stated that the Commission is now going to work on the basis of the proposals made. The Commission intends to present a proposal during July 2010 and President Barroso states that "it will certainly reflect many of the parts put now in this report by Mario Monti".

Source: *Report to the President of the European Commission " [A New Strategy for the Single Market](#)" and [SPEECH/10/230](#).*