



Brussels, 29 October 2014

***Joint statement by the European social partners of the Cleaning Industry regarding the DIRECTIVE 2014/24/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on public procurement***

The EFCI (European Federation of Cleaning Industries)<sup>1</sup> and UNI Europa<sup>2</sup> represent more than 176.000 companies with an annual turnover of about 64.5 billion Euros as well as more than 3.32 million workers. It is a highly labour intensive sector where personnel costs (wages, social security contributions, etc.) represent about 80% of the total costs. They are recognised by the European Commission (DG Employment, Social Affairs and Inclusion) as European sectoral social partners in accordance with the European Treaties. In general terms, the EFCI and UNI Europa have a strong interest in all European legislation that affects employment, competitiveness and working conditions of the sector's companies and employees. Further information can be found on the respective websites: [www.efci.eu](http://www.efci.eu) and [www.uni-europa.org](http://www.uni-europa.org).

General comments

The EFCI and UNI Europa welcome the formal adoption of the revised Directive 2014/24/EU on public procurement and its publication on 28 March in the Official Journal of the EU. The social partners were active throughout the legislative process. In June 2012, the European social partners of the cleaning (UNI Europa/EFCI), contract catering (EFFAT/FERCO) and private security (UNI Europa/CoESS) sectors sent a joint statement on this legislative proposal to the EU institutions. All three sectors are labour intensive and therefore expressed their views on four areas of legislation: "contract award criteria", "abnormally low tenders", "governance", and "electronic auctions".

While the social partners would have preferred more specific thresholds for abnormally low tenders and the abolition of the lowest price criterion, there are several positive improvements in the new Directive. Compliance with environmental, social and labour obligations, including collective agreements, is now enshrined in the principles of the Directive. Furthermore, it is possible to exclude tenderers in case of non-compliance. Whilst there is still no mandatory mechanism for joint and several liability, doors are open for Member States to ensure that subcontracting chains become transparent.

<sup>1</sup> The European Federation of Cleaning Industries (EFCI) represents and promotes the interests of cleaning contractors in 15 Member States of the European Union as well as in Norway and Switzerland

<sup>2</sup> UNI Europa is a European trade union federation. It unites national trade unions organising in service and skills sectors. It has 320 affiliated trade union organizations and represents 7 million workers in 50 countries

Implementation of the Directive and call to member organisations to monitor legal transposition

In implementing the new rules, the social partners call upon Member States to improve some of the elements left to their discretion in the new text. For instance, they can prohibit or restrict the “use of price only” criterion, and leave contracting authorities the choice between either assessing other aspects in addition to cost effectiveness, or base their purchasing decisions solely on that criterion. UNI Europa and EFCI call upon Member States to take responsibility for the environmental and social impacts of public purchasing when implementing the new Directive in their respective countries. Favouring the lowest price criterion results in reduction of taxes and social contributions paid as well as the poor health of workers and lower quality in the services provided.

The new social provisions can make a fundamental difference in Member States with a poor employment protection record, and as a result contribute to fairer competition throughout the internal market. Article 18 (principles of procurement) now states that Member States must ensure that economic operators comply with collective agreements at the place where the service is provided. This provision strengthens the industrial relations systems, notably existing collective agreements.

The social partners urge their respective member organisations to closely follow the transposition of the recently agreed texts. The EFCI and UNI Europa support advocacy efforts to embed sustainable and socially friendly procurement legal frameworks at national levels so as to enable a more just use of public money.

Signed in Brussels on 29 October 2014

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