

Recent ECA work on public procurement

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Outline

1. ECA's recent work on public procurement

2. Actions on ECA recommendations from 2015

1. ECA's recent work on public procurement

ECA Reports on Public Procurement

- Public procurement problems in cohesion expenditure (2015)
- Other recent reports:
 - Access to public procurement in the EU institutions (2016)
 - Ex-ante conditionalities and performance reserve in cohesion (2017)
 - Public Private Partnerships in the EU (2018)



ECA Special Report (2015)

‘Efforts to address problems with public procurement in EU cohesion expenditure should be intensified’

Audit area and objective

- Results of ECA Annual Reports:
 - Compliance with EU and national public procurement rules in Cohesion policy:
 - perennial and significant source of error

- Main audit question:
 - Are the Commission and Member States taking appropriate and effective actions to address the problem of public procurement errors in the area of Cohesion policy?

ECA 2015 Recommendations on public procurement (PP) in cohesion

1. Commission and Member States should collect data and analyse PP errors in the area of cohesion policy

2. If the PP ex ante conditionality is not fulfilled by the end of 2016, Commission should use its power to suspend payments to the Member States concerned until they have rectified the shortcomings

Recommendations

3 & 4. Commission should update & publish its internal action plan, report on progress annually, improve cross-departmental coordination, set up a high-level group to provide leadership

5. Commission financial corrections & pursue infringement procedures

6. Commission and Member States should exploit opportunities provided by IT:

- e-procurement
- databases to analyse errors
- data-mining tools to identify fraudulent patterns



ECA Special Report (2016)

‘The EU institutions can do more to facilitate access to their public procurement’

Access to public procurement in the EU institutions

- arrangements in EU institutions are **robust and generally mitigate risk of error** - but more could be done to monitor participation
- EU institutions did **not simplify rules and clarify grey areas** when revising their rules in 2015
- not all procedural choices fostered **competition on broadest basis**
- **information is patchy**, visibility of procurement procedures is poor,
- access to **rapid review of complaints** difficult to obtain



ECA Special Report (2017)

‘Ex-ante conditionalities and performance reserve in Cohesion: innovative but not yet effective instruments’



ECA Special Report (2018)

‘Public Private Partnerships in the EU: Widespread shortcomings and limited benefits’

Public private partnerships in the EU

- PPP projects not always effective in achieving potential benefits
- Inadequate analysis and unsuitable approaches contributed to delays, cost increases and underuse
- Institution and legal framework not yet adequate for EU supported PPP projects

2. Developments since ECA 2015 recommendations

ECA annual compliance findings on public procurement

	Budget year	ECA compliance error in policy area	Of which, public procurement errors
Economic, social and territorial cohesion	2014	5.7%	48%
	2015	5.2%	14%
	2016	4.8%	30%
Rural development, environment, climate action and fisheries	2014	6.2%	9%
	2015	5.3%	28%
	2016	4.9%	10%

Actions on recommendations from 2015

1. Databases of irregularities
2. Ex-ante conditionalities and payment suspensions
3. Commission action plan: update and publish
4. High level group leadership
5. Financial corrections and infringement procedures
6. Using IT tools

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