

UNI-Europa – CoESS Joint Declaration on Public Procurement and Collective Bargaining

Brussels, 20 December 2022

This Committee notes:

1. Public procurement amounts to €1.9 trillion per year in the EU, representing 14 per cent of the GDP¹.
2. It is estimated that half of public tenders in Europe are awarded based solely on the lowest price².
3. The Directive on Adequate Minimum Wages and Collective Bargaining foresees to enhance collective bargaining coverage to 80% in each of the EU member states.
4. According to Eurostat, there are approximately 1.5 million security guards in the European Union. Roughly 38% of these workers are covered by sectoral collective agreements.
5. According to the Eurofound Representativeness Study, only 14% of social partner organisations at national level are consulted on a regular basis by the government on issues related to working conditions or employment³.
6. Through their guidelines ‘Securing Best Value’, the EU Social Partners in Private Security – CoESS and UNI Europa – have been jointly cooperating on the need for best value procurement for more than a decade.
7. The European Commission and most EU Member States have recognized Private Security Services as an essential service during the COVID-19 pandemic⁴.
8. Private Security Services play a complementary role to law enforcement in the functioning and protection of Critical Entities (aviation security services, protection of various Critical Infrastructure) as well as other businesses (tourism, events industry, supply chains and logistics).
9. Most recently, CoESS and UNI Europa have advocated for quality control in the purchasing of private security services protecting Critical Infrastructure in the framework of the EU Directive on the Resilience of Critical Entities.

¹ European Semester – Thematic Factsheet

https://ec.europa.eu/info/sites/default/files/file_import/european-semester_thematic-factsheet_public-procurement_en_0.pdf

² Put your money where your mouth is. Why and how the EU needs to change its public spending policies to promote a social Europe <https://biblio.ugent.be/publication/8728171/file/8728173>

³ https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef19014en.pdf

⁴ Communication from the Commission Guidelines concerning the exercise of the free movement of workers during COVID-19 outbreak 2020/C 102 I/03

10. The EU Social Partners are currently engaged in the EU-funded PROCURFAIR project investigating working and employment conditions on public contracts in the Private Security sector.
11. As part of the EU-funded INTEL project, CoESS and UNI Europa are also assessing the impact of public procurement practices on persisting labour and skills shortages in the private security services industry, which represent an incremental challenge to public security and many other business sectors.
12. UNI Europa's campaign on public procurement, which demands that public contracts are awarded to companies adhering to the collective agreement, is supported by over 142 Members of the European Parliament.⁵

This Committee believes:

1. Public procurement policies, practices and lack of effective implementation of the EU Public Procurement Directives in many Member States⁶ incentivise some bidders in the market to ignore social criteria, weakening the positive impact of collective bargaining and the value of social dialogue.
2. Public procurement can only create societal value through the inclusion and democratic participation of those sectors directly impacted by public procurement.
3. Public money should ensure fair work and high quality of services, particularly in labour-intensive sectors and especially if these services have direct impacts on public safety and/or security such as in Private Security Services.
4. By putting lowest price above all other selection criteria, public bodies risk being detrimental to companies that engage in Social Dialogue. This is especially the case where industrial relations are weak.
5. Sectoral and multi-employer bargaining provides a mechanism to cut out corporations that seek to undercut competitors by attacking employment conditions.
6. Through public procurement, public authorities have a very effective tool to make the 80% collective bargaining coverage outlined in the Directive on Adequate Minimum Wages and Collective Bargaining a reality.

This Committee resolves:

1. The Social Partners will evaluate the best practices identified in the PROCURFAIR project and disseminate the most valuable approaches.
2. The Social Partners will apply for a joint project on enhancing public client's use of the Securing Best Value Guide and using collective agreements, where they exist, in the purchasing of private security services in 2023.
3. The Social Partners will write to the Swedish, Belgian and Spanish Presidencies of the EU Council requesting a meeting to discuss public procurement in the Private Security sector.

⁵ For the full list of MEPs <https://www.uni-europa.org/news/procuringdecentwork-updated-list-of-mep-endorsements/>

⁶ European Parliament Report on the Public Procurement Strategy Package A8-0229/2018

This Committee calls upon the European Commission:

1. To strengthen bargaining capacity of the social partners at national level, including by allocating funding for capacity-building actions especially in South-Eastern, Central and Eastern European countries.
2. To call on Member States to regularly consult with Social Partners in matters concerning Public Procurement.
3. To increase funding for the professionalisation of public buyers in order to effectively implement the EU Public Procurement Directives.
4. To initiate a sector-specific roundtable or webinar to discuss public procurement in Private Security Services.
5. To sanction Member States that inadequately transposed the EU Public Procurement Directives.
6. To consider an adjustment to the public procurement rules for essential services and labour-intensive industries such as Private Security Services, including:
 - a. requirements for Member States to exclude the use of the lowest price criterion only for the award of tenders in essential services and labour-intensive industries such as Private Security.
 - b. provisions that ensure that public contracts are only awarded to companies that are party to or adhere to the collective agreements concluded by the representative trade union and employer organisations, or generally applicable collective agreements, where they exist.
 - c. provisions that enable and stimulate public buyers to promote collective bargaining through public procurement.
 - d. provisions that throughout their duration, public contracts shall provide for price variations due to changes in collective agreements concluded by representative trade unions and employer organisations, or wage-related labour legislation.

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