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BIBM position

European Parliament's draft report on Proposal for a Directive on public procurement

BIBM has taken note of the European Commission proposal for the revision of the Public Procurement Directives (December 2011) and the draft report prepared by Marc Tarabella MEP (May 2012).

BIBM welcomes the elimination of the "lowest cost principle" and inclusion of "direct payment" of subcontractors by the contracting authority. BIBM stands up for the mandatory use of **social and environmental indicators**, the inclusion of a reference to life cycle cost approach as best practice in public procurement and the introduction of quality as a criterion.

In addition, BIBM also welcomes Amendment 136 that calls the tenderer to indicate any proposed sub-contractors in its tender. This would help to protect small companies.

The federation welcomes the **simplified rules** in administration in favour of small and medium businesses (SMEs), in particular the lower turnover requirements and the introduction of self-declaration.

Furthermore, BIBM believes that the imposition of electronic publication of bids will remove barriers to access and it will successfully reduce cost. However, BIBM agrees that the whole procedure of public procurement cannot be done electronically.

BIBM strongly support the innovation partnership, the new procedure for the purchase of innovative products, works and services and believes that **fostering innovation** is one of main driver to achieve Europe 2020 targets.

At the same time, BIBM would like to express concern about some of the specific proposals for the way in which this should be done, which could have a bearing on the procurement of buildings.

Use of labels versus life-cycle assessment (Article 41 & 67)

BIBM believes, that an ecolabel for individual construction products cannot guarantee adequate performance. It is building design and the combinations of different products which are decisive. The sustainability assessment of buildings, reference should be based on the CEN standards covering the environmental, economic and social performance of buildings (CEN/TC 350). The use of labels (Ecolabels etc.) should target end-products. In the case of public works, whole life-cycle assessment at the building level should be used rather than labels being applied to intermediate construction products.

Contracting authorities should not be allowed to refer to specific processes or stages of the production process (Recital 41), as this goes against the aim of considering the whole life-cycle.



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Based on the mentioned points, BIBM proposes the following amendments to the Commission proposal.

Commission proposal	MEP Marc Tarabella proposal	BIBM proposal
<p>Proposal for a directive Article 41- Labels</p> <p>1. Where contracting authorities lay down environmental, social or other characteristics of a works, service or supply in terms of performance or functional requirements as referred to in point (a) of Article 40(3) they may require that these works, services or supplies bear a specific label, provided that all of the following conditions are fulfilled:</p> <p>(a) the requirements for the label only concern characteristics which are linked to the subject-matter of the contract and are appropriate to define characteristics of the works, supplies or services that are the subject-matter of the contract;</p> <p>(b) the requirements for the label are drawn up on the basis of scientific information or based on other objectively verifiable and non-discriminatory criteria;</p> <p>...</p>	<p>Amendments 77 & 78 Proposal for a directive Article 41- Labels and certificates of a third party verified standard</p> <p>1. Where contracting authorities lay down environmental, social or other characteristics of a works, service or supply in terms of performance or functional requirements as referred to in point (a) of Article 40(3) they may require that these works, services or supplies bear a specific label and/or a certificate of a third party verified standard, provided that all of the following conditions are fulfilled:</p> <p>(a) the requirements for the label and/or the certificate of a third party verified standard concern characteristics which are linked to the subject-matter of the contract and are appropriate to define characteristics of the works, supplies or services that are the subject-matter of the contract;</p> <p>(b) the requirements for the label and/or the certificate of a third party</p>	<p>Proposal for a directive Article 41- Labels & assessment</p> <p>1. Where contracting authorities lay down environmental, social or other characteristics of a (deleted) service or supply in terms of performance or functional requirements as referred to in point (a) of Article 40(3) they may require that these services or supplies bear a specific label, (deleted) provided that all of the following conditions are fulfilled:</p> <p>(a) the requirements for the label only concern characteristics which are linked to the subject-matter of the contract and are appropriate to define characteristics of the supplies or services that are the subject-matter of the contract.</p> <p>(b) the requirements for the label (deleted) are drawn up on the basis of scientific information or based on other objectively verifiable and non-discriminatory criteria;</p> <p>1.1 Where contracting authorities lay down environmental, social or</p>



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	<p>verified standard are drawn up on the basis of scientific information or based on other objectively verifiable and nondiscriminatory criteria and data;</p> <p>(c) the labels and/or certificates of a third party verified standard are established in an open and transparent procedure in which all stakeholders, including government bodies, consumers, manufacturers, distributors and environmental organisations, may participate,</p> <p>(d) the labels and/or certificates of a third party verified standard are accessible to all interested parties;</p> <p>(e) the criteria of the label and/or certificate of a third party verified standard are set by a third party which is independent from the economic operator applying for the label. The third party may be a specific national or governmental body or organisation.</p>	<p>other characteristics of a works in terms requirements as referred to in point (a) of Article 40(3), assessments should use European sustainability standards wherever available;</p> <p>...</p>
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Article 67 - Life-cycle costing	Article 67 - Life-cycle considerations	Article 67- Life-cycle costing
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<p>1. Life-cycle costing shall to the extent relevant cover the following costs over the life cycle of a product, service or works as defined in point (22) of Article 2:</p> <p>(a) internal costs, including costs relating to acquisition, such as production costs, use, such as energy consumption, maintenance costs, and end of life, such as collection and recycling costs and</p> <p>(b) external environmental costs directly linked to the life cycle, provided their monetary value can be determined and verified, which may include the cost of emissions of greenhouse gases and of other pollutant emissions and other climate change mitigation costs.</p> <p>...</p> <p>3. Whenever a common methodology for the calculation of life-cycle costs is adopted as part of a legislative act of the Union, including by delegated acts pursuant to sector specific legislation, it shall be applied where life-cycle costing is included in the award criteria referred to in Article 66(1).</p> <p>...</p>		<p>1. Life-cycle costing shall to the extent relevant cover the following costs over the life cycle of a product, service or works as defined in point (22) of Article 2:</p> <p>(a) internal costs, including costs relating to acquisition, such as production costs, use, such as energy consumption, maintenance costs, and end of life, such as collection and recycling costs and</p> <p>(b) external environmental costs directly linked to the life cycle, provided their monetary value can be determined and verified, which may include the cost of emissions of greenhouse gases and of other pollutant emissions and other climate change mitigation costs.</p> <p>...</p> <p>3. Whenever a common methodology for the calculation of life-cycle costs is adopted as part of a legislative act of the Union, including by delegated acts pursuant to sector specific legislation, or as part of a European technical specification it shall be applied where life-cycle costing is included in the award</p>
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BIBM (from the French acronym “Bureau International du Béton Manufacturé”) is the European Federation of Precast Concrete Industry, established in 1954, represents the interest of precast concrete industry of 17 European countries with a combined industry turnover of 26 billion Euro, directly employing approximately 210,000 European citizens.