

Topic : International Procurement Instrument (IPI)

Brief description and main aims:

In 2012, the European Commission issued a proposal for a *Regulation on the access of third-country goods and services to the Union's internal market in public procurement and procedures supporting negotiations on access of Union goods and services to the public procurement markets of third countries* - also known as International Procurement Instrument (IPI). The main aim consisted in increasing the EU's leverage in negotiations in order to achieve reciprocity as regards the access of European companies to foreign procurement markets. Basically, where a third country not being member to the WTO Government Procurement Agreement (GPA) restricts the market access for European companies, economies operators from the concerned country could be subject to restrictive measures taken by the European Commission.

While the legislative file has been at a standstill in the last years, the Member States made considerable progress and reached an agreement in June. Negotiations with the other EU institutions on the final instrument are expected to start at the end of 2021.

Why FIEC is dealing with this topic:

FIEC treats this issue in cooperation with the European International Contractors (EIC) and the European Dredging Association (EuDA). Dealing with internal market issues, FIEC considers the IPI as a vehicle to prevent unfair competition on the internal market while our partners are addressing the external challenges. In the last years, we observe a growing number of huge infrastructure projects being awarded to Chinese State-owned enterprises (SOEs) submitting extremely low prices against which private European companies cannot compete. **If well designed, the IPI could eventually lead to the exclusion of third country state-owned companies from public procurement procedures.**

Actions and key dates:

21/03/2012 – European Commission issues IPI proposal

29/01/2016 – European Commission issues amended IPI Proposal

12/06/2019 – FIEC/EIC/EuDA [Action Plan](#)

17/09/2019 – [FIEC/EIC/EuDA position paper](#) on Fostering a Level Playing Field in Construction Services

2019-2021 – Several meetings with European Commission officials and Members of the European Parliament

05/2021 – [FIEC-EIC position paper](#)

05/2021 – Launch of [interactive map](#) *Third country state-owned enterprises in the European procurement market*

09/2021 – FIEC-EIC proposal for amendments