



AEGIS Europe calls on Member States to urgently conclude negotiations on the International Procurement Instrument

Brussels, 12 April 2021 – AEGIS Europe calls on Member States to support the efforts of the Portuguese Presidency to conclude negotiations in the Council on the International Procurement Instrument (IPI) as soon as possible, in line with the European Commission’s recent call for “*the Council to finalise its work as a matter of urgency*”¹.

More than half of the world’s procurement market is currently closed *de jure* or *de facto* to outside bidders and this share is growing. European businesses’ access to procurement markets outside the EU is curtailed because of public procurement-related barriers such as domestic content requirements, lack of transparency or discrimination in tendering procedures, subsidised “domestic champions”, curtailed access to sub-central level or state-owned enterprises (SOEs). Even when access is permitted, it comes with conditions that place EU companies at a disadvantage.

Furthermore, there is a widespread concern that due to the pandemic European companies will have to overcome additional protectionist measures abroad, while they are being subject to aggressive strategies by foreign SOEs on the European market.

AEGIS Europe calls on Member States to support the adoption of an assertive and effective instrument that will enable a uniform application thereof across Europe while avoiding circumvention, for instance through an ambitious add-on on contractual obligations.

The IPI is a critical tool to achieve a level-playing field for European businesses, and it will complement existing or future EU instruments such as the forthcoming Foreign Subsidies Instrument. A level-playing field in public procurement can only be achieved by a combination of the IPI (international dimension), the Foreign Subsidies Instrument and a targeted strengthening of the EU public procurement framework (EU dimension).

“AEGIS Europe is firmly convinced of the imperative need for the European Union to take a strong stance on reciprocity in the field of public procurement in order to support the opening of international procurement markets while creating robust and actionable leverage. This could be achieved if, without further delay, the IPI is in place,” concluded Inès Van Lierde, Chair of AEGIS Europe.

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About AEGIS Europe:

AEGIS Europe is an industry alliance that brings together more than 20 European manufacturing associations from metals and ceramics to energy and transportation industries committed to manufacturing in the EU on a truly level playing field ensured by a rules-based free and fair international trade. Our members account for more than €500 billion in annual turnover, as well as for millions of jobs across the EU.

¹ *Trade Policy Review - An Open, Sustainable and Assertive Trade Policy.*