



AEGIS Europe welcomes the work carried out by Member States to conclude negotiations on the International Procurement Instrument and calls for an assertive and effective tool

Brussels, 18 May 2021 – In view of the upcoming Foreign Affairs Council on Trade, AEGIS Europe welcomes the work conducted by the Council in view of concluding negotiations on the International Procurement Instrument (IPI), in line with the European Commission’s recent call for *“the Council to finalise its work as a matter of urgency¹.”*

In view of increasing public procurement-related barriers worldwide, 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.

In particular, AEGIS Europe opposes the possibility to suspend an investigation or IPI measures on the basis of ‘commitments’ to terminate practices or to negotiate a new international agreement, as this exception could be used as a loophole by international trade partners that are well-known for not playing by the multilateral trade system rules and further undermining European businesses.

Furthermore, AEGIS Europe argues against the non-application of IPI measures if they would lead to a disproportionate increase in the price or costs of the contract and calls for the deletion of this exception. The Alliance also calls for strengthening reporting provisions and a stronger supervision role for the Commission that can be warranted only under a compulsory notification system towards the latter before the award of the contract.

“AEGIS Europe is firmly convinced that the IPI could be a critical tool in ensuring a level-playing field in international public procurement for European businesses, complementing existing or future EU instruments such as the forthcoming Foreign Subsidies Instrument. However, this tool shall be useful in practice only if its provisions are not watered down by various envisaged exceptions. We therefore call on the Council to endorse a high level of ambition.”, 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.