

## MINISTRY OF ECONOMIC AND BUSINESS AFFAIRS DENMARK

DG Internal Market and Services – Unit C1 "International Dimension of Public Procurement" DG Trade - Unit DGA2.E.2 "Public Procurement and Intellectual Property"

European Commission, SPA2 05/081, 1049 Brussels, Belgium European Commission, CHAR 06/187, 1049 Brussels, Belgium

markt-trade-procurement-initiative@ec.europa.eu

## Consultation on an initiative on access of third countries to the EU's public procurement market

## **General comments**

The EU is based upon free trade and well functioning competition. If these values are to be converted to real influence in relation to our neighbours and global partners, it requires that the EU thinks and acts cohesively. A strengthening of the EU's global position will benefit both the European citizens and enterprises in the global competition for prosperity and welfare.

The EU's relationship with the new and emerging economies such as China, India and Brazil, are important in order for the EU to act efficiently in international relations. In the wake of the global economic crisis it is vital that the EU continues to actively apply trade policy to create better framework conditions for the European business community both in relation to export, strengthened global production chains and investment. In this regard, economic openness is crucial for increased growth and job creation in the EU.

## **Specific comments**

The Danish government considers the open EU markets to be a strength and not a weakness. Therefore, considerable efforts should be made in trade negotiations to ensure further openness on external markets in order to create better access for EU companies.

Open markets and competition is a necessity for free global trade, it increases the overall efficiency in the markets, it creates economic growth and a better allocation of the world's limited resources. Consistently, the openness of EU's public procurement markets leads to higher quality of tenders, promotes productivity and innovation, and facilitates better solutions at lower costs.

It is the opinion of the Danish government that further liberalization of global trade is created by consistently working on opening up the markets and not by raising new barriers on trade. Limitation of access to EU markets for companies from third countries will only lead to lesser competition and increased prices. An initiative that closes the EU markets for MINISTER FOR ECONOMIC AND BUSINESS AFFAIRS

MINISTRY OF ECONOMIC AND BUSINESS AFFAIRS Slotsholmsgade 10-12 DK-1216 Copenhagen K

 Tel.
 +45 33 92 33 50

 Fax
 +45 33 12 37 78

 CVR no.
 10 09 24 85

 oem@oem.dk

 www.oem.dk

public procurement for companies from third countries is therefore not supported.

Furthermore, it is the Danish government's opinion that the way to create access for EU companies to public procurement markets outside the EU is by keeping the competition for public contracts in the EU open to all companies irrespective of country of origin. The openness of the EU markets creates the competitive conditions that are essential for the European companies' productivity and competitiveness. A limitation of the access to EU-markets for public procurement includes the risk, that a range of countries follows example and closes their local markets for foreign competitors, thereby closing third country markets for EU companies further than it is the case today.

Therefore, the Danish government strongly believes that the open markets of the EU are an advantage, both in terms of free global trade and public procurement. Consistently, the Danish government does not support any initiative – this being any legislative instrument as well any nonlegislative approach – that entails a limitation of market access and decreases the competition for public contracts in the EU.

Because of the importance of the open markets, the Danish government believes that EU should send a clear signal of continued openness of the EU public procurement markets and a continued support of global free trade.

Yours sincerely

Brian Mikkelsen