Public Procurement Law: Key International Developments in 2014 — Part I: An American Perspective on the New European Public Procurement Directives

Christopher R. Yukins
George Washington University Law School, cyukins@law.gwu.edu

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I. INTRODUCTION

This past year saw major developments in European public procurement law, as a number of new procurement directives, discussed in draft form last year, see Christopher R. Yukins, The New European Procurement Directives: A Critical Perspective, 2014 Gov. Con. Year Rev. Briefs 3 (Feb. 2014), finally came into force. This paper will focus on the two elements of the new European Union procurement directive, 2014/24/EU, most likely to affect the U.S. procurement community: new flexibility in the use of best-value negotiations, and expanded grounds for excluding potential contractors. The paper also will discuss how the new directive may affect ongoing trade negotiations regarding procurement markets.

II. POINTS OF CONVERGENCE IN THE NEW EUROPEAN DIRECTIVES


For the U.S. procurement community, the new directive, which covers many different aspects of procurement, from planning to bidding to award, is vitally important for a number of reasons. First, although the discussion below is necessarily limited by space, a review of the directive’s many provisions clearly shows that European procurement law is increasingly similar to U.S. procurement law. Experienced contracting professionals from the United States will be able to use these similarities to their advantage, for the more the procedures converge, the easier it is for market participants to move from one market to the other. Second, however, in some ways the European directive is strikingly different from U.S. laws, and these differences create competitive traps for outsiders, some of which are touched on below. Third, understanding where the most serious traps lie -- where divergence creates serious competitive barriers to procurement markets -- may help frame how the United States should approach its trade negotiations with Europe, and with other regions and nations following the same lines of convergence, for those negotiations provide an ongoing and important opportunity for harmonization.

A. European Union’s Embrace of Flexible Negotiations

For U.S. exporters, perhaps the most important development under the new directive is the European Union’s embrace of flexible negotiations as a procurement method, much as flexible competitive negotiation methods have been widely adopted in the federal government. See Christopher R. Yukins, supra, 2014 Gov. Con. Year Rev. Briefs 3. Of the competitive procedures available under federal rules, see, e.g., Kate M. Manuel, Competition in Federal Contracting: An Overview of the Legal Requirements 8-9 (Cong. Res. Serv. Rep. No. R40516, June 30, 2011), available at https://www.fas.org/sgp/crs/misc/R40516.pdf; multilateral competitive negotiations under Federal Acquisition Regulation (FAR) Part 15, 48 C.F.R. Part 15, are by far the most commonly used method for complex procurements (information technology and weapons systems, for example). As the discussion below reflects, these developments in European Union procurement policy may open new opportunities for the U.S. export community, and more broadly may suggest new ways of thinking about more flexible approaches to public procurement.

1. Importance of Best-Value Negotiations to High Technology Exporters

For some time, high-technology firms have recognized that they may not be able to compete effectively in world procurement markets if buyers are locked into “sealed bidding” procurement methods (which are sometimes called “open tendering” methods in foreign procurement systems). See, e.g., Defense Acquisition University, Acquipedia -- Sealed Bidding Procedures (narrative discussion of sealed bidding process under FAR Part 14), available at https://dap.dau.mil/acquipedia/Pages/ArticleDetails.aspx?aid=da800e14-bf23-44fc-892c-6f5b26dc0363. Open tendering (sealed bidding) methods typically emphasize price, and quality is typically set by the government’s previously fixed specifications, against which bidders often must compete on price alone. In a bidding environment of this kind, high-value, high-price products and services built on the latest technology...
will typically lose; the low-priced bidder, offering a technically compliant but perhaps mediocre product or service, will nearly always win.

2. Comparative U.S. Federal Trend: LPTA Procurements

Within U.S. federal procurement, the tensions between sealed bidding and competitive negotiations have played out, in recent years, in an ongoing controversy over the use of the “Lowest Price-Technically Acceptable” (LPTA) method. See generally Vernon J. Edwards, Lowest Price Technically Acceptable Source Selection: When and How Should Agencies Use It?, 26 Nash & Cibinic Rep. ¶ 62 (Nov. 2012). While the LPTA method is technically a form of competitive negotiation under FAR Part 15 (and exchanges are permitted during the procedure, per FAR 15.101-2), in practice the LPTA method often is not materially different from sealed bidding: offerors propose against technical requirements set by the agency, and the lowest-priced technically acceptable offer typically wins. Under the LPTA approach, there is no best-value tradeoff between price and quality. FAR 15.101-2(b)(2).

In part because of growing budgetary pressures, federal agencies have resorted more to the LPTA method, see, e.g., Timothy Bunting, Lost and Found: In Search of A Uniform Approach for Selecting Best Value, 44 Pub. Cont. L.J. 1 (2014), despite strong criticism from industry, see, e.g., Vernon J. Edwards, supra (discussing industry criticism), and concerns from Congress, see, e.g., Robert Nichols & Jad C. Totman, Feature Comment: Myth-Busting the LPTA Conundrum, 55 GC ¶ 392 (Dec. 18, 2013) (discussing congressional concerns); House Rep. No. 113-102, 113th Cong., 1st Sess. 185-86 (June 7, 2013) (House Armed Services Committee noted that it was concerned that “careful consideration must be given to each contract . . . [W]hen the requirement is complex, performance risk is high, or failure to perform has significant consequences . . . then a best-value tradeoff approach may be more appropriate”); see also GAO Report No. GAO-14-584 (July 2014) (study of use of best value procurements); DOD’s Best-Value Processes Consistent With Guidance, GAO Says, 56 GC ¶ 264 (Aug. 13, 2014).

Nor, it seems, are federal agencies using the LPTA method solely to drive down costs; as one federal acquisition official noted, quite bluntly, the LPTA method may be favored because it reduces potential criticism and accountability of federal officials. See Sean Lyngaas, DHS’s Borkowski: Acquisition Officials Must Get Tougher with Industry, Federal Computer Week, Aug. 6, 2014 (senior acquisition official noted: “You want to know why we do LPTA [lowest price, technically acceptable]? Because it’s safer. The idea in government, what we are all trained by history to do, is avoid consequences.”), available at http://fcw.com/articles/2014/08/06/borkowski-gets-tough-on-acquisition.aspx; see also Daniel I. Gordon, Bid Protests: The Costs Are Real, but the Benefits Outweigh Them, 42 Pub. Cont. L.J. 489, 506 (2013) (“Contracting Officers have told the author that they are acting to avoid bid protests when they decide that a contract should be awarded to the lowest-priced, technically acceptable (LPTA) proposal, rather than to allow for a trade-off.”).
3. World Bank Endorses Best-Value Negotiations

While U.S. federal agencies have turned to the LPTA method -- which some might say is turning back the clock to a time, several decades ago, when awards based on low price alone were more common in federal procurement -- the World Bank has signaled that it will take the opposite approach, and endorse a broader use of negotiations and best-value awards in Bank-financed projects. See generally Jeffrey Gutman, World Bank Evaluation Group Issues Procurement Review: Do the Conclusions Fit the Analysis, http://www.brookings.edu/blogs/up-front/posts/2013/12/23-world-bank-procurement-gutman (Dec. 23, 2013) (discussing background to current round of World Bank procurement reforms). This is a change in World Bank practice, and, because of the large role that the World Bank plays in the developing world, the new policy marks an important new direction. The report on consultations regarding proposed reforms to the Bank’s procurement policies stated, for example:

A point made frequently in the external consultations was that the Bank's procedures allow for awarding contracts on the basis of the lowest price alone. This is not the case. The Bank’s Procurement Guidelines allow considerable latitude to include factors other than price, such as quality and after-sales service. However, in applying the policy, Bank staff and counterparts often choose the lowest evaluated bid based on price alone, perhaps because it is less complicated to do or is perceived to be less risky. It may also conform to local practices and procurement rules that require decisions to be made on the basis of the lowest price. A further contributing factor may be that economy is commonly understood as “the least expensive good,” “something not extravagant,” “which avoids unnecessary waste,” “the careful, thrifty, frugal, and prudent management of money,” and “restraint.” While positive attributes, these definitions are insufficient to accommodate modern concepts of sustainability, quality, and whole-life costs that underpin value for money.


4. New European Directive Opens Door to Broader Use of Negotiations for Best-Value Awards

Now the European Union has offered its own renewed support for best-value-based multilateral negotiations, for reasons both predictable and

While U.S. rules do not set a preference between sealed bidding and competitive negotiations, see FAR 6.401, traditionally the European Union directives had strongly favored open tendering (as noted, akin to U.S. sealed bidding). The recitals to the new directive, however, now endorse the use of more flexible negotiations:

There is a great need for contracting authorities to have additional flexibility to choose a procurement procedure, which provides for negotiations. A greater use of those procedures is also likely to increase cross-border trade, as the evaluation has shown that contracts awarded by negotiated procedure with prior publication have a particularly high success rate of cross-border tenders. Member states should be able to provide for the use of competitive procedure with negotiation or the competitive dialogue, in various situations where open or restricted procedures without negotiations are not likely to lead to satisfactory procurement outcomes. It should be recalled that use of the competitive dialogue has significantly increased in terms of contract values over the past years. It has shown itself to be of use in cases where contracting authorities are unable to define the means of satisfying their needs or of assessing what the market can offer in terms of technical, financial or legal solutions. This situation may arise may arise in particular with innovative projects, the implementation of major integrated transport infrastructure projects, large computer networks or projects involving complex and structured financing.

Directive 2014/24/EU, Recital 42 (emphasis added). Although this recital to the public procurement directive is not legally binding, see, e.g., Michael Koeding, Active Transposition of EU Legislation, EIPASCOPE 2007/3, at 29 (“recitals are not legally binding, but intend to help civil servants in Member States to interpret the purpose of the directive’s provisions”), available at http://aei.pitt.edu/11064/1/20080313162050_MKA_SCOPE2007-3_Internet-4.pdf, this recital does raise two important points.

• The recital’s italicized language points to recent European research which indicates that competitive dialogue and other forms of negotiation resulted in more cross-border procurement -- significantly more than the average share of procurement, 1.4%, which is traditionally done across borders in the European Union. See Figure 1, infra; Zornitsa
Kutlina-Dimitrova & Csilla Lakato, *Determinants of Direct Cross-Border Public Procurement in EU Member States*, at page 7 & Fig. 5 (European Commission Chief Economist Note, July 2014) (“compared to the average in EU Member States of 1.4%, other types of procedures such as the ones awarded through competitive dialogue, negotiated with competition and accelerated negotiated procedures are found to be significantly above the average in terms of number of contracts awarded to foreigners[, and] [i]n terms of value, the same patterns are revealed”), available at http://trade.ec.europa.eu/doclib/docs/2014/july/tradoc_152700.pdf.

- The recital *gives examples of procurements*, such as for “large computer networks” or “projects involving complex and structured financing,” which are well-suited to competitive dialogue or a competitive procedure with negotiation. While these examples are not binding or exclusive, see, e.g., Jonathan Davey, *supra*, 2014 Pub. Proc. L. Rev. at 106-07, the examples could prove extremely persuasive if firms, involved in the cited types of procurements, hope to convince procuring authorities that they should use these more flexible methods. *See also* Directive 2014/24/EU, Art. 26(4) (discussing conditions for use of two methods).

5. **European Data Offer New Perspective on Negotiations’ Benefits**

The first point cited above, regarding new European data on cross-border procurement which was endorsed by the directive, bears special emphasis, because that data may reshape the debate regarding multilateral competitive negotiations. For years, that debate has focused on the benefits of flexible negotiations to the buyer -- observers have argued that methods such as competitive dialogue give buyers badly needed new flexibility in procurement. *See, e.g.*, European Commission, *Public Procurement Reform -- Factsheet No. 3: Simplifying the Rules for Contracting Authorities*, at 1, available at http://ec.europa.eu/internal_market/publicprocurement/modernising_rules/reform_proposals/index_en.htm.

The new European data offer, in contrast, a completely new perspective: that cross-border trade may be boosted by a more flexible approach to procurement, using negotiations. This, in turn, suggests that more flexible negotiation procedures may be good for suppliers, for suppliers may be willing to risk more in cross-border procurements if the procedures are more flexible, based on more open exchanges regarding best-value solutions for the purchasing agency. This point -- that negotiated-best-value methods may be better for suppliers, too, because the more flexible methods reduce risk and accommodate vendors’ new sources of value -- echoes U.S. industry’s opposition to price-based (LPTA-type) procurements in the federal government (discussed above), though the European data seem to lend new support, from a different perspective, for this proposition. Further analysis will be needed, but the initial European data, embraced in the new procurement directive, suggest that more flexible procurements with negotiations ultimately
may deliver better value and enhanced competition in international procurement markets.

**Table 5:** EU public procurement covered in the dataset by type of procedure (2008-2012)

<table>
<thead>
<tr>
<th>Procurement procedure</th>
<th>Number of awards per year</th>
<th>Award value (€ millions) per year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Cross-border</td>
</tr>
<tr>
<td>Accelerated negotiated procedure</td>
<td>602</td>
<td>17</td>
</tr>
<tr>
<td>Accelerated restricted procedure</td>
<td>1,957</td>
<td>48</td>
</tr>
<tr>
<td>Award without publication</td>
<td>6,067</td>
<td>69</td>
</tr>
<tr>
<td>Competitive dialogue</td>
<td>411</td>
<td>17</td>
</tr>
<tr>
<td>Negotiated procedure with competition</td>
<td>8,429</td>
<td>286</td>
</tr>
<tr>
<td>Negotiated procedure without competition</td>
<td>8,400</td>
<td>415</td>
</tr>
<tr>
<td>Open procedure</td>
<td>207,651</td>
<td>2,327</td>
</tr>
<tr>
<td>Restricted procedure</td>
<td>10,272</td>
<td>203</td>
</tr>
</tbody>
</table>

*Source: TED, own calculations*

**Figure 1:** *Determinants of Cross-Border Trade, supra,* Table 5. Chart illustrates the share of covered European procurement done cross-border, by type of procurement procedure.

**B. Corruption and Compliance Challenges Under the New Directive**


**1. Grounds for Exclusion**

Article 57 of the new directive sets forth a number of mandatory grounds for exclusion for corruption, including:
• Participation in a criminal organization;
• Corruption under the national laws of the contracting authority or the vendor, including potentially corruption under other nations’ laws, see Hans-Joachim Priess, supra, at 115 (“Therefore, in case the economic operator has its seat of business outside the EU, the local definition of corruption must also be considered. Hence, a conviction for corruption by a court of the country—even one outside the EU or EEA area—where the economic operator is located may arguably also constitute a ground for exclusion.”);
• Fraud -- though only with regard to “fraud affecting the European Communities’ financial interests,” as defined by Article 1 of the Convention on the Protection of the European Communities’ Financial Interests;
• Terrorist offenses;
• Money laundering or terrorist financing; and,
• Child labor and other forms of human trafficking.

Article 57 also calls for mandatory exclusion where, among other things, the procuring authority knows that the vendor has not paid its taxes or its social security obligations. Member states may override a mandatory exclusion on any of these grounds on an exceptional basis, for “reasons relating to the public interest such as public health or protection of the environment.” Member states also may derogate from a mandatory exclusion for failure to pay taxes or social security obligations, if “exclusion would be clearly disproportionate.” Article 57 further says that member states may exclude vendors on a number of grounds, including “where the economic operator has shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract” -- and important step forward in allowing European procuring agencies to address past failures in contractor performance. See Hans-Joachim Priess, supra, at 120-21 (discussing exclusions and exceptions in detail); Hans-Joachim Priess, Anti-Corruption Internationally: Challenges in Procurement Markets Abroad, 2013 Gov. Con. Year Rev. Br. 5 (discussing draft directive in context of international anti-corruption efforts).

2. Corruption Risks the New European Directive Does Not Address

From a U.S. perspective, none of this seems surprising. European Article 57’s grounds for exclusion accord with a U.S. contracting officer’s broad discretion to exclude “non-responsible” vendors, per FAR Subpart 9.1, and with U.S. suspension and debarment officials’ sweeping authority to exclude vendors, government-wide, for any “cause of so serious or compelling a nature that it affects the present responsibility of the contractor or subcontractor.” FAR 9.406-2(c). What is surprising to those familiar with the U.S. federal system, however, is what is missing from Article 57 of the new European directive:

• No Debarment System: The directive does not contemplate a regularized system of debarment. Instead, exclusion is to be
done on a contract-by-contract basis, by contracting officials who may (or may not) have expertise in the grounds for exclusion; a contracting official may not, for example, know how to judge whether a vendor truly owes social security taxes. In the United States, this problem -- contracting officials’ lack of expertise in the grounds for exclusion -- is what helped undo the Clinton administration’s efforts to use U.S. contracting officers to “blacklist” vendors for certain types of labor and environmental violations. See, e.g., Bush Administration Suspends “Blacklisting” Rule, OFCCP Federal Contract Compliance Manual, Letter No. 226, 2001 WL 36651498 (CCH May 30, 2001).

- **Exclusion as Calibrated Punishment**: Rather than using exclusion as a means of addressing the peculiar reputational and performance risks that wayward contractors may pose, as the U.S. system does, see, e.g., Joseph D. West, Timothy J. Hatch, Christyne K. Brennan & Lawrence J.C. Van Dyke, Suspension & Debarment, 06-9 Briefing Papers 1, 6-7 (Aug. 2006); Steven A. Shaw, Mike Wagner & Robert Nichols, Contractor Responsibility: Toward An Integrated Approach To Legal Risk Management, 13-4 Briefing Papers 1 (Mar. 2013), Article 57 seems to contemplate a graduated system of punishment, with mandatory exclusion reserved for the most serious offenses. This approach, much like the World Bank’s graduated approach to sanctions, see World Bank Sanctioning Guidelines, available at http://siteresources.worldbank.org/EXTOFFEVASUS/Resources/WorldBankSanctioningGuidelines.pdf, treats exclusion as a form of graduated punishment, rather than risk mitigation. See, e.g., Christopher R. Yukins, Rethinking the World Bank’s Sanctions System, 55 GC. ¶ 355 (Nov. 2013). The U.S. approach is far more flexible, and leaves it to contracting officers (on individual procurements) and suspension and debarment officials (agency- and government-wide) to assess and address contractor-specific risk, both to prospective projects (performance risk) and to the government’s legitimacy (reputation risk).

- **Directive Does Not Tackle Fraud**: Although, for example, a 2011 study commissioned by the European Commission specifically called for, at the EU level, “better monitoring, detection, analysis, and reporting technology to fight fraud and corruption,” and to “make these available to Member States,” see PwC EU Services, Public Procurement: Costs We Pay for Corruption -- Identifying and Reducing Corruption in Public Procurement in the EU, at 12 (2011), available at http://ec.europa.eu/anti_fraud/documents/anti-fraud-policy/research-and-studies/pwc_olaf_study_en.pdf, the new European directive does not offer an integrated solution to address fraud in contract performance.

3. **New Directive -- On Contractor Compliance**

What will perhaps be most surprising to U.S. observers is the very limited approach taken to contractor compliance, under the new direc-
tive. While U.S. procurement law, building on a robust framework of U.S. compliance rules, generally assumes that contractor compliance systems will always be used, see, e.g., FAR 52.203-13, the new directive assumes that “self-cleaning” (compliance) measures will be put in place only after a contractor engages in misconduct. See Directive 2014/24/EU, Art. 57(6) (“Any [specifically affected] economic operator . . . may provide evidence to the effect that measures taken by the economic operator are sufficient to demonstrate its reliability despite the existence of a relevant ground for exclusion.”).

The European directive’s limited approach, which treats compliance efforts as remedial measures rather than as ongoing risk mitigation measures, is especially surprising in light of the UK Ministry of Justice guidelines under the UK Bribery Act of 2010. The United Kingdom’s approach, which follows a worldwide trend, see, e.g., Hans-Joachim Priess, Anti-Corruption Internationally: Challenges in Procurement Markets Abroad, supra, is to require that anti-corruption compliance measures be put in place by all firms -- not only those that have engaged in misconduct. See UK Ministry of Justice, UK Bribery Act 2010 -- Guidance, at 7 (Mar. 2011), available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181762/bribery-act-2010-guidance.pdf. The disconnect between emerging international best practices in compliance and the new directive suggests that, over time, the European compliance requirements for contractors may expand, to conform more closely to international norms.

4. New Challenge: Labor Compliance

For compliance officers on both sides of the Atlantic, perhaps the most notable new area of compliance concern is labor compliance. The new European directive makes labor violations a potential basis for exclusion, as does an executive order issued by President Barack Obama in July 2014.

The new European directive provides, in Recital 39, that:

It should . . . be possible to include clauses ensuring compliance with collective agreements in compliance with Union law in public contracts. Non-compliance with the relevant obligations could be considered to be grave misconduct on the part of the economic operator concerned, liable to exclusion of that economic operator from the procedure for the award of a public contract

(Emphasis added.) Article 57(4)(c) goes on to say that a contractor may be excluded “where the contracting authority can demonstrate by appropriate means that the economic operator is guilty of grave professional misconduct, which renders its integrity questionable.” Although Recital 39 (as noted) is not legally binding, the recital is likely to be read in conjunction with Article 18(2), which calls for member states to “take appropriate measures to ensure that in the performance of public contracts economic operators comply with applicable obligations in the fields of environmental, social and labour law established by Union law, national law, collective agreements or by the international environmental, social and labour law provisions.” If a contractor is badly out of step with collective bargain-
ing agreements, or otherwise engages in serious violations of labor law, stakeholders -- including unions -- may argue that the contractor should be excluded under the new directive. See, e.g., European Trade Union Confederation, New EU Framework on Public Procurement: ETUC Key Points for the Transposition of Directive 2014/24/EU, at 9 (trade union confederation discussing labor protections gained under new directive), available at http://www.etuc.org/sites/www.etuc.org/files/publication/files/ces-brochure_transpo_edited_03.pdf.

The Obama administration took a similar approach in the President’s “Fair Pay and Safe Workplaces” executive order, which was issued on July 31, 2014. Under that executive order, a contractor could be subject to exclusion if a contracting official, in consultation with a “labor compliance official,” concluded that the contractor engaged in violations (“particularly serious, repeated, willful, or pervasive violations”) of certain labor laws. E.O. 13673, available at http://www.whitehouse.gov/the-press-office/2014/07/31/executive-order-fair-pay-and-safe-workplaces. Although the executive order remains to be implemented in regulation, the order has stirred a storm of controversy because it could force a contracting officer to sit, in practical terms, as a judge of labor violations -- an area in which contracting officers are not necessarily experienced. See, e.g., Executive Order Targets Contractor Compliance With Labor Laws, 56 GC ¶ 266 (Aug. 13, 2014); Fair Pay and Safe Workplaces Executive Order—New Rules Require Federal Contractors And Subcontractors To Track And Report Labor Violations, 38 Constr. Contr. L. Rep. NL 14 (Sept. 12, 2014).

III. TRADE AGREEMENT IMPLICATIONS: E-PROCUREMENT

As the discussion above reflects, the new European directive carries important practical ramifications for firms that hope to compete in the European public procurement markets. Here, we review how the new directive also may affect the United States’ ongoing trade negotiations with the European Union.

The United States and the European Union are engaged in protracted negotiations regarding the proposed Transatlantic Trade & Investment Partnership (TTIP), which would liberalize trade and establish an ongoing system to harmonize regulatory schemes between the United States and Europe, so as to reduce non-tariff barriers to trade. See, e.g., Allen B. Green & Marques O. Peterson, Converging Procurement Systems -- Part II: International Trade and Public Procurement 2013 Update, 2014 Gov’t Cont. Year Rev. Br. 2 (Feb. 2014). Procurement remains an important point of discussion in those TTIP negotiations. See, e.g., Christopher R. Yukins & Hans-Joachim Priess, Feature Comment: Breaking The Impasse In The Transatlantic Trade And Investment Partnership (TTIP) Negotiations: Rethinking Priorities In Procurement, 56 GC ¶ 235 (July 24, 2014).

Any TTIP agreement between the European Union and the United States may well address a recurring issue in opening procurement markets: transparency, importantly including transparency as to procurement opportunities. In addressing this and other elements of open procurement markets, the TTIP negotiations may be influenced by the Canada - Eu-
European Union Comprehensive and Economic Trade Agreement (CETA), which is currently being finalized. See, e.g., Jean Heilman Grier, Major Procurement Gains in Canada-EU Agreement (Nov. 1, 2013), available at http://trade.djaghe.com/?p=78. Under CETA, Canada has assured the European Union that Canadian procurement opportunities at both the central and sub-central levels (i.e., federal and provincial) will be accessible through a “single point of entry.” See CETA (provisional text), Chapter X, Art. VI (“All the notices of intended procurement shall be directly accessible [by electronic means free of charge through a single point of access . . .”), available at http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/text-texte/21.aspx?lang=eng.

Although the U.S. federal government already uses a “governmentwide point of entry,” www.fedbizopps.gov, to publicize federal opportunities on a centralized website, see, e.g., FAR 5.003, in the United States sub-central (e.g., state) opportunities do not appear on that site. Many states’ procurement-related websites are available through the National Institute for Government Procurement (NIGP), http://www.nigp.org/eweb/StartPage.aspx?Site=NIGP&webcode=gs_stateproclinks, but opportunities on state websites are not channeled through a central site -- as Canada has promised to do for the European Union. Given Canada’s willingness to establish a consolidated site (over a five-year transitional period, see CETA, Ch. X, Art. VI(1) & Annex X-02), and the European Union’s stated goal, in the new directive, to transition completely to electronic procurement in the coming years, see Roger Bickerstaff, E-Procurement Under the New EU Procurement Directives, 2014 Pub. Proc. L. Rev. 134, the European Union may argue that the United States, too, should agree in TTIP to make its procurement opportunities (both “central” and “sub-central”) readily available on a single website.

IV. CONCLUSION

The new European procurement directives, which are currently being transposed into member states’ procurement laws, share many common features with U.S. procurement law. European policymakers are increasingly willing to allow flexible forms of negotiated procurement, similar to competitive negotiations in the United States, and the European anti-corruption measures under the new directive are similar in many ways to their U.S. counterparts. There remain, however, significant differences between the two systems -- such as differences in contractor compliance requirements, and in publicizing procurement opportunities -- which need to be addressed if harmonization is to help erase unnecessary barriers to trade between the U.S. and European procurement markets.