



REVISION OF THE EU PUBLIC PROCUREMENT DIRECTIVE – THE VIEW OF THE EU PUBLIC TRANSPORT SECTOR

EXECUTIVE SUMMARY

Public transport is a cornerstone of Europe's economic resilience, climate transition, and social cohesion. As providers of services of general economic interest and operators of critical infrastructure, public transport authorities (PTAs) and public transport operators (PTOs) rely on a public procurement framework that is strategic, and workable in practice.

UITP Europe sees the revision of the EU Public Procurement Directives as a timely opportunity to strengthen European industrial resilience, accelerate sustainability objectives, and simplify procurement rules. These objectives, however, must be pursued without undermining competition, affordability, innovation, or service continuity.

UITP therefore calls for a procurement framework that:

- Applies a **pragmatic and targeted “Made in EU”** approach focused on strategic assets, accompanied by clear derogations, gradual implementation, and minimal administrative burden, and which does not hinder the speed of decarbonisation, does not increase costs and does not override performance.
- Strengthens the **role of public procurement as a sustainability lever** through the Most Economically Advantageous Tender (MEAT), lifecycle costing, and the integration of carbon considerations.
- Significantly **simplifies procedures while preserving the** contracting entities' specific regime and improving access for SMEs.

The revised Directives should empower public transport buyers to deliver high-quality, affordable, and sustainable mobility services, while supporting European industry and maintaining open and competitive markets.

1. A PRAGMATIC “MADE IN EU” APPROACH THAT STRENGTHENS RESILIENCE WITHOUT UNDERMINING COMPETITION

1.1 STRATEGIC FOCUS AND SCOPE

Public transport services are by nature organised and delivered locally. As such, any “Made in EU” requirement can only meaningfully apply to material assets such as vehicles, fuels, and infrastructure-related equipment. Major urban rail systems, in particular, are part of Europe’s critical infrastructure and should be treated accordingly within the procurement framework.

European preference requirements should therefore focus on genuinely strategic sectors where resilience, security of supply, and sovereignty considerations are paramount.

1.2 SUPPORTING THE EUROPEAN ADDED VALUE

In a globalised economy, supply chains often span several countries, both inside and outside the EU. Many non-European manufacturers already operate production facilities within the EU. Relying solely on the location of final assembly risks failing to meet the underlying objective of strengthening European industrial capacity.

Any European preference regime must therefore focus on genuine and effective value-creating economic activity within the EU rather than formal criteria that can be easily circumvented.

The revised directives should enable purchasers to give preference to operators from a Member State of the European Union or the European Economic Area when bids are equivalent, without any additional administrative burden.

1.3 PRESERVING COMPETITION, INNOVATION, AND AFFORDABILITY

Mandatory European preference requirements must not result in a significant reduction in competition or create “single bidder” situations. Public transport authorities must retain the ability to identify the most effective and innovative solutions and to ensure service affordability.

UITP does not support the imposition of a European preference obligation in sectors or situations that are not considered strategic. In such cases, discretion should remain with the contracting authority or entity.

1.4 CLEAR DEROGATIONS AND GRADUAL IMPLEMENTATION

Any “Made in EU” requirement must be accompanied by clearly defined derogations. Contracting authorities should be able to consider:

- the availability of suitable supplies on the market;
- the sensitivity and criticality of the service;
- innovation needs;
- the impact on European sovereignty.

The timing of entry into force and the level of mandatory European content are crucial. A rapid implementation combined with high mandatory thresholds would create significant challenges for the public transport sector, particularly where EU supply may currently be insufficient (for example for certain zero-emission technologies).

A gradual implementation or differentiated targets depending on the product concerned would allow the sector to adapt while maintaining service levels. In parallel, the EU should ensure sufficient support and funding for European industry to guarantee supply and competitiveness.

1.5 LIMITING ADMINISTRATIVE BURDEN

PTOs and PTAs generally do not have the resources or expertise to verify complex rules on origin or international trade agreements. Any European preference regime must therefore:

- simplify current third-country exclusion mechanisms, which are extremely complex to apply in practice;
- clearly define the treatment of joint ventures and products originating from third countries but sold by EU-based distributors;
- avoid imposing additional documentation and verification obligations on local and regional authorities.

Objective third-party certification could be explored as a supporting tool, alongside clear guidance from the European Commission, including accessible information on countries covered by international procurement agreements.

2. USING PUBLIC PROCUREMENT AS A STRATEGIC SUSTAINABILITY TOOL

2.1 REINFORCING THE ROLE OF MEAT

Public transport authorities already contribute significantly to EU environmental and social objectives. Public procurement rules should support, not restrict, their ability to do so.

The concept of the Most Economically Advantageous Tender (MEAT) should remain central, enabling the use of non-financial criteria such as environmental performance, innovation, and local job creation. The revised Directives should limit overly restrictive national interpretations that currently constrain the effective use of such criteria.

2.2 BALANCING SUSTAINABILITY AND FINANCIAL VIABILITY

Environmental and social objectives must be balanced with the financial sustainability of public transport services. The highest technical or environmental performance does not necessarily correspond to the most appropriate solution for a given service.

Contracting authorities should retain discretion over the weighting of award criteria, including price and non-price criteria. Minimum acceptable performance levels can be defined as

mandatory requirements, while flexibility should be preserved in cases where competition is insufficient.

2.3 INTEGRATING CARBON CONSIDERATIONS

UITP supports the inclusion of carbon considerations in procurement decisions, including the possibility to integrate the carbon footprint of a bid into the financial evaluation.

To ensure consistency and legal certainty, the European Commission should develop guidance, in cooperation with stakeholders, on appropriate methodologies for assessing carbon impacts in this context.

2.4 IMPROVING REGULATORY COHERENCE

The growing number of EU sustainability-related legislative acts creates challenges for implementation at local level. Better alignment between procurement rules and sectoral legislation, such as deforestation or eco-design requirements, is needed. The recently published environmental omnibus could provide an opportunity to improve coherence and clarity.

2.5 PROMOTING LIFECYCLE AND RESILIENCE-BASED PROCUREMENT

Procurement strategies should prioritise long-term value and resilience through a Total Cost of Ownership approach, considering operational, maintenance, and environmental costs over the asset lifecycle. The weighting of criteria should remain adaptable to local circumstances and policy priorities.

3. SIMPLIFYING THE RULES WHILE PRESERVING FLEXIBILITY FOR PUBLIC TRANSPORT

3.1 PROTECTING THE UTILITIES REGIME

Simplification should not lead to a loss of the specific regime of contracting entities operating under the utilities regime. In particular, access to negotiated procedures must be preserved. The differences between the public procurement and utilities directives should be clarified. The revision of the directives must not lead to the harmonisation of the rules applicable to contracting entities and to contracting authorities.

3.2 LIMITING FRAGMENTATION

Simplification also requires limiting national legislative and interpretative interventions that fragment the internal market and increase administrative complexity.

3.3 FACILITATING SME PARTICIPATION

The revised Directives should include targeted measures to improve SME access to public procurement, including simplified procedures below defined thresholds, adjusted sustainability

requirements for micro-enterprises, and increased thresholds for direct awards where appropriate.

3.4 SIMPLIFYING TOOLS AND DIGITAL PROCESSES

Digitalisation should facilitate, not complicate, procurement procedures. This requires reducing mandatory fields in e-forms, improving the usability of the European Single Procurement Document, simplifying eNotices, and avoiding unnecessary duplication of data entry.

3.5 ADAPTING FRAMEWORK AGREEMENTS TO SECTOR NEEDS

Framework agreement rules should better reflect the realities of public transport operations, including longer asset lifecycles and uncertainty regarding future quantities. Greater flexibility on duration, estimated volumes, and maximum values is therefore required.

3.6 CLARIFYING EXCLUSION RULES

Clearer distinction between mandatory and optional exclusion grounds, harmonisation across Member States, and simplified verification mechanisms would significantly reduce administrative burden.

3.7 LEVEL-PLAYING FIELD BETWEEN PUBLIC AND PRIVATE OPERATORS

Contracting entities, just like private competitors, should be exempted from the procurement obligations of Directive 2014/25/EU when sourcing goods or services for the preparation or performance of a competitively awarded PSO contract¹.

4. FINAL REMARKS: SUPPORTING INNOVATION AND MARKET ATTRACTIVENESS

Innovation is essential to achieving Europe's mobility, climate, and industrial objectives. The public procurement framework should preserve flexibility for innovation partnerships, competitive dialogue, and negotiated procedures, and allow limited testing of innovative solutions without distorting competition.

At the same time, procurement rules must ensure regulatory certainty and a balanced approach of contractual requirements and risks to be borne by bidders in projects of high value (in particular non-calculable/imponderable risks such as inflation, changes in technical regulations and standards over several years). This is essential to attract investment, maintain competition, and keep costs under control for the public transport sector.

¹ Awarded under regulation 1370/2007