



European Cleaning and Facility Services Industry

Improving EU Public Procurement: A Vision from Industrial Cleaning, Private Security, and Contract Catering Services –

Speech from Lorenzo Mattioli EFCI - President

TEXT OF THE SPEECH

CHECK AGAINST DELIVERY

Dear Members of the European Parliament, dear colleagues, dear all,

I am honored to address you today after the intervention of distinguished MEP Vedrenne – whom I thank for the attention she has given to our requests and the precision with which she has described the terms of our challenges. I am also grateful to Ms. Caimi and Mr. Maucher for the presentation of their study as an introduction to our event today. In particular, I was very happy to hear the references of MEP Vedrenne to the strategic dimension of public investment. The notion of strategic has a very common geopolitical meaning, but that cannot be the only one: investing in the services our services guarantee is also a strategic choice for the good functioning of our societies.

In the first place, I would like to commend the image that we organizers are giving today on this stage. Today, the social partner organizations of three sectors, unions and employers together, have decided to join their forces. We are different organizations, working in different areas and representing different interests, but we share one issue that touches very closely the essence of our societal role: voicing the needs of the people we represent, the active forces of our economies and productive systems, and finding practical solutions to common problems. In a moment when EU institutions stress the importance of social dialogue at EU level and their political support to it, we give a very important message. Social dialogue can be a driver for change, supporting EU institutions. I am confident that our institutional partners in the social dialogue sphere will appreciate the proof of unity we are giving today.

As you know, I represent the sector of industrial cleaning. Our industry has been a fundamental asset, after the dark moments of the pandemics, to make the relaunch possible. Cleaning and sanitizing have been the tools on which we collectively have built the conditions to gather again in full security and confidence. Our activity has become visible, changing from a condition of total invisibility – because by definition clean is something you cannot see. It has become a tangible and reassuring reality, with our 4 million workers and 300,000 companies now becoming visible too.

Like my colleagues sitting here with me today, our work is to provide a service to people from people. A service that must be of the highest level, in terms of service for the user and quality for the worker. And if we think at the venues where these activities are performed, it is clear to see those public venues – the places that are managed by public authorities – represent a very large majority of these. Trains, hospitals, public offices, or the very schools and tribunals where the other two sectors present here today are active – these are all public spaces. For our companies, public contracts are essential. Not only for the share of

turnover, but because it represents a contractual model for other types of clients and functions like an engine for change and innovation.

The EU legislation on public procurement is almost 10 years old. It's almost a different geologic era if we look at how our society and economy have changed since. We have moved from a phase of virtually no inflation to a steady and repeated price increases, of materials and costs – industrial and living costs alike. From a macro-economic point of view, there is also a recent revival of the importance of a EU industrial policy. This new attention to the industrial capacity of Europe, in the difficult geopolitical context of these days, seems to forget that services – to which all our sectors belong – represent 75% of the EU GDP and are by far the first employment category. And in the big family of services, the services we provide – to people for people – are the mortar that holds our societies together.

Three weeks ago, I had the pleasure to participate in a hearing of the European Parliament, discussing the study presented earlier. I was very impressed by one conclusion: even if the directive sets the obligation to use the “best-price-quality ratio” for public tenders, the majority of public contracts in the EU are still awarded on the basis of the lowest price. Incredibly, in 9 EU countries, more than 80% of public tenders are awarded on this basis. Simply, this race to the lowest price is not compatible with the provision of high-quality services and the best standards for innovation, profitability, environmental and social sustainability.

The work we offer is not a commodity. It is not an independent variable that can be adjusted. Especially when industrial – labor costs mainly in our case – grow for external reasons like inflation and our companies are not legally certain that this growth in costs can be recovered via price increases. As social partners, we have been saying this in many ways and on many tools – from the joint declarations we have signed to the EU projects on how to promote quality in procurement, our best value guides. Also at the national level, our Members have worked together to elaborate the best strategies.

Now it's time we take this discussion outside our usual debates and social dialogue structure, to engage with stakeholders, institutions, and the other economic operators that discuss with us regularly. Different solutions are possible, especially if you consider how varied the implementation of EU directives is at the national level. But our specificity – labor-intensive industries, providing essential services to people – requires special attention and specific regulations. Rules that underline the essential nature of the work we do and that foresee special mechanisms to guarantee the financial sustainability of our companies, and their capacity to provide quality services and ever better working conditions.

I am very grateful to the colleagues sitting next to me now sharing this stage. And also grateful to the speakers who will take the floor after, representing the specific reality of each sector and the requests we bring forward. And I am glad to see so many participants, representatives of our sectors but also coming from different sectors and economic realities. I think I can say something now that all my colleagues here present on this stage will agree with: this initiative today is a first move to increase the knowledge and awareness about our sectors, about the complexity of labor-intensive services. It is also a joint contribution to a debate on a topic that in the coming months and until the upcoming electoral appointment of next year will see many others participate. I will be very glad if at the end of this date, each of us will have developed a better understanding of who we are, what we do, and what is important for our sectors to continue creating value for all.

I wish us all an interesting morning ahead and look forward to a good debate among us all. Thank you for your attention.