

**Question for written answer E-005507/2018
to the Commission**
Rule 130
Adam Szejnfeld (PPE)

Subject: Possibility of renegotiating terms and conditions of public procurement contracts and verifying their cost estimates

In economically prosperous times, the implementation of public procurement contracts faces a number of obstacles. Prices of raw materials, and semi-finished and finished products are rising. In particular, labour costs remain on an upward trend. Furthermore, there are drastic labour shortages. This translates into a sharp decrease in profitability, especially of multiannual contracts, and creates knock-on effects, notably payment backlogs. As a result, cost estimates often become unfeasible. Hence, contractors not only have to bear increased costs, but they also face a higher economic risk than the contracting entities. Therefore, many of them abandon construction sites in order to avoid bankruptcy. This has disastrous consequences for these companies, their subcontractors and — most importantly — their employees.

What measures, including legislative ones, does the Commission intend to take in order to create a more level playing field for all public procurement stakeholders in the EU, especially with regards to the right to renegotiate contracts and verify their cost estimates?