Priority question for written answer P-005390/2021
to the Commission
Rule 138
Maria Walsh (PPE)

Subject: Irish Local Development Companies competing with private providers in tenders

Local development companies (LDCs) provide public employment services and are represented by the Irish Local Development Network (ILDN). They were established under the Programme for Economic and Social Progress to set up social inclusion initiatives in disadvantaged areas in partnership with the state. In 1994, a task force on long term unemployment prompted the government to act on the recommendation to establish local employment services (LES). The key directive by the government at that time was that LES would be situated within LDCs.

ILDN members have been providing LES since 1996. Their budgets were set by the Department of Enterprise, Trade and Employment with state bodies directed to second staff into LES services to create an integrated service working model which would be the state’s core response to the needs of the unemployed.

Can the Commission confirm that:

1. A contractual relationship between bodies governed by public law is expressly exempt from public procurement requirements under the relevant directives?
2. A contract of indefinite duration predating the procurement directives and to which there have been no material changes falls outside the scope of these directives?
3. Therefore, Member States are not obliged to tender for LES where such contracts apply?