15 Years of EU Sectoral Social Dialogue – Quo Vadis?

Key achievements of the Sectoral Social Dialogue Committees

“Success Story” from the Sectoral Social Dialogue Committee for the European Contract Catering Sector

Guide to the economically most advantageous offer in contract catering

Background

A significant number of public and private bodies increasingly subcontract their catering services to specialised companies, amounting to over 6 billion meals being delivered in Europe each year. Past trends have shown that, due to budgetary restrictions, cost-cutting policies and other factors, many of these bodies resort to awarding the contract catering company that submits the lowest bid, rather than the company offering the best quality/price ratio.

The social partners in the contract catering sector believe however that awarding catering contracts on the basis of price alone is damaging to the sector and to the European economy as a whole. This practice can notably incentivise companies to reduce costs as much as possible, sometimes to the detriment of the quality of the meals and services provided and with an adverse effect on the working conditions in the sector.

In order to change this trend, EFFAT and FoodServiceEurope (formerly known as FERCO) have been active over the years to encourage the awarding of contracts based on the best quality/price ratio, a solution which has been increasingly supported by the case law of the European Court of Justice as well as by European legislation, the revised EU Directives on Public Procurement from 2004 explicitly allowing for the inclusion of social and environmental criteria.

Acknowledging that the priority given to price is notably due to the awarding entities’ difficulty in communicating their qualitative needs and to the absence of objective instruments other than price for weighting, assessing and comparing offers, EFFAT and FoodServiceEurope decided to propose a method for awarding catering contracts that accounts for both quality and price. For these purposes, the Social Partners produced a guide with concrete advice.

Creation of the “Guide to the economically most advantageous offer in contract catering”

In 2005, FoodServiceEurope (at that time known as FERCO) and EFFAT elaborated the Guide to the Economically Most Advantageous Offer.
The Guide was produced through collaboration between the two associations in the context of their European social dialogue with the financial support of the European Commission. The work was completed with the support of a steering group composed by experts from national member associations.

The aim of the Guide is to assist public and private purchasers of contract catering services to identify and to avoid abnormally low offers in their tendering procedures and select those offers that are economically most advantageous for the purchaser and the final consumer. For these purposes, the Guide provides the tools needed to award a contract on the basis of the best quality/price ratio including:

(i) a range of contractual solutions;

(ii) a standard format that indicates what the specifications for contract catering must include, enabling all entities to formulate their expectations and needs clearly and in a structured manner; and

(iii) analytical tools enabling the economically most advantageous offer to be selected.

Through this Guide the Social Partners also sought to promote in Europe, through the principle of the “economically most advantageous offer”, the respect for social values and decent working conditions in contract catering companies, the development of quality-related programs that guarantee safety for users and a maximum level of food hygiene and safety.

The contract catering sector’s effort in this field was in line with similar initiatives other industries facing the same challenges had undertaken and the guidelines they had prepared specific to their sectors for companies and public authorities which select their providers through public tenders. The other sectors are the private security sector (CoESS/UNI-Europa), the cleaning industry (EFCI/UNI-Europa) and the clothing and textiles sector (EURATEX/ETUF-TCL).

Dissemination

The EFFAT-FERCO Guide was published in January 2006 and progressively made available in eight languages (English, French, German, Spanish Italian, Hungarian, Polish and Dutch).

To ensure a wide dissemination, the Guide was made accessible both in hard copies and in an electronic version available on a dedicated website www.contract-catering-guide.org.

It was intended for distribution in EU Member States, and throughout 2007 the social partners at national level disseminated the instrument and organised various public events across the EU to present the new tool; initiatives that also benefited from the financial support from the European Commission.
Various initiatives were undertaken by the Social Partners at EU level, including joint actions with the social partners in the sectors security, cleaning and clothing & textiles. Examples are the Conference “Towards Responsible Awarding of Contracts” in 2008 in Brussels, and the presentation made by Kerstin Howald at an event organised by the “Observatoire de la Responsabilité Sociétale des Entreprises” in Paris in 2010.

Continuous Engagement

During the last plenary meeting on 7 October 2013 it was agreed that further efforts for the dissemination of the jointly elaborated Guide shall be made in 2014. One of the actions being envisaged is sending the Guide to the mayors of various European cities, encouraging them to take it into account in their procurement procedures.

The Social Partners’ initiative concerning the Guide is inscribed in their broader commitment to a socially responsible procurement process, which is also underpinned by their joint engagement in view of the revision of the current legislative framework for Public Procurement.

(906 words)