



Revision of EU public procurement rules

Position Paper

ESMIG welcomes the revision of EU public procurement rules and advocates for a differentiated approach to critical infrastructure tenders. This is essential to strengthen Europe's competitiveness, security, and strategic autonomy. Introducing well-designed *Made in Europe* criteria, strengthening non-price criteria, establishing multi-year procurement for strategic technologies, and streamlining public procurement rules with the Foreign Subsidies Regulation are key measures to safeguard fair competition.

ESMIG proposes the following recommendations to the European Commission in the context of the upcoming revision of EU public procurement rules:

1. Secure EU leadership through well-designed *Made in Europe* criteria in public procurement for critical infrastructures

To secure EU leadership, *Made in Europe* should be applied as a mandatory criterion in strategic and security-relevant sectors, such as smart grid technologies. The criteria should reflect European added value, supply-chain resilience, and cybersecurity standards, while prioritizing European control over product and

system design (R&D), firmware and software updates, critical and security-relevant components, and full lifecycle management. Exemptions may apply in certain cases (e.g., where a product or service is not available in Europe). In all other cases, the criteria should guide contracting authorities in selecting trusted and secure technology solutions.

Made in Europe should, therefore, go beyond strict local-content or manufacturing-location requirements, recognizing that industries cannot fully localize the supply chain or component production for complex technology products and solutions. Crucially, public procurement of critical infrastructure technologies should safeguard that products remain under European control.

In addition, public procurement procedures should exclude bidders from countries that are not signatories to the EEA/GPA/FTA or from countries with a formal EU accession framework and aligned public procurement legislation.

This would provide a clear framework for procurement, support informed energy management for end-users, reinforce Europe's economic security, and reduce exposure to potential high-risk suppliers.

2. Strengthen non-price criteria in critical infrastructure tenders

To ensure alignment with European strategic policies and objectives, public procurement for critical infrastructure requires a differentiated approach to strengthen economic security and sovereignty and address geopolitical risks. A systematic integration of non-price criteria, with stronger weighting for those relevant to security and resilience is essential, both in tender evaluation and, where appropriate, in the pre-selection of bidders.

In this respect, public procurement for critical infrastructure should focus on:

- **ESG criteria:**
 - **Sustainability:** Go beyond minimum requirements and align with EU Green Deal objectives. Require independent third-party verification of sustainability reporting.

- **Labor and social standards:** Ensure third-country suppliers meet EU standards, supported by compliance systems.
 - **Cybersecurity:** Evaluate and exclude potential high-risk suppliers, making cybersecurity a mandatory criterion for all critical infrastructure tenders, to ensure that Europe's critical energy infrastructure remains secure and under European control.
 - **Supply chain resilience:** Strengthen supply chain resilience by ensuring European strategic control over key elements of the value chain.
 - **Product design, quality and lifetime:** Guarantee business continuity by ensuring long-term availability of the same products and technology throughout their expected lifetime.
- 3. Establish multi-year procurement for critical infrastructure such as smart meters to accelerate energy system digitalisation**

Multi-year procurement for critical infrastructure such as smart meters would provide predictable demand, support fair and open competition, and strengthen European manufacturers. By ensuring interoperability and cybersecurity standards and enabling economies of scale, this approach would accelerate the digitalisation of the EU energy system while contributing to broader industrial policy and strategic autonomy objectives.

4. Streamline EU public procurement rules in alignment with the Foreign Subsidies Regulation (FSR)

Revised EU public procurement rules should require bidders for critical infrastructure to declare foreign subsidies, enable authorities to exclude high-risk or distortive suppliers, allowing aggregation or multi-year contracts to trigger FSR investigations for tenders below the threshold. Embedding these measures in procurement law ensures that critical infrastructure procurement protects European companies in strategic sectors, strengthens cybersecurity and operational resilience, and reinforces EU strategic autonomy.



About ESMIG

ESMIG is the European voice of the providers of smart energy solutions. Our members provide products, information technology and services for multi-commodity metering, display and management of energy consumption and production at consumer premises.

Our activities are focused on systems for smart metering, consumer energy management and safe and secure data transfer.

We work closely with EU policy makers and other EU associations to make Europe's energy and water systems cleaner, reliable, more efficient and the European consumer informed, empowered and engaged.