



Public consultation on evaluation of the EU public procurement directives

Skatteforsk – Centre for Tax Research aims to bridge the gap from economic tax theory to real life policy. The Centre conducts policy relevant, cutting edge research on tax, inequality, climate, and behavioral responses to taxation. We appreciate the opportunity to contribute to the public consultation on public procurement directives.

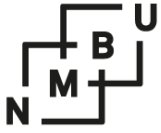
Non-disclosure should be grounds for exclusion in public procurement processes

Disclosure of beneficial ownership and country-by-country reporting on taxes should be mandatory to report for all parties involved in the bidding for publicly funded contracts. This information should also be made available.

This will enable the contracting authority to carry out their duty of ensuring that contracts are not awarded to parties who pose a risk to economic sustainability and national security. New research from Skatteforsk – Centre for Tax Research finds that the use of tax havens has harmful effects on several features of the economic system, such as innovation, wages and the performance of markets [1]. In addition, the current geopolitical climate poses an increased need for measures to ensure transparency and national security.

Insufficient access to information renders the contracting authority unable to ensure that economic operators are, for instance, not paying taxes where their economic activities are taking place. The burden of evidence should be on the economic operators, while also making the failure to provide information grounds for exclusion from the procurement process.

Due to the global nature of trade, supra-national legislation and harmonized sets of rules across the EU/EEA are more likely to succeed with addressing such issues. National legislative efforts, ie. in Norway, have proved insufficient to implement necessary measures in this regard.



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