

## **SME Advisory Group**

**Tuesday 16<sup>th</sup> May 2017**

**Room 2, D/PER, Government Buildings, Merrion Street, Dublin 2**

### **Minutes**

#### **Attendees:**

Minister of State Eoghan Murphy, Chair

Jim Deane, OGP

Karl Ryan, OGP

Derek Flanagan, OGP

Joan Grogan, OGP

Eoghan Richardson, DJEI

Catherine Curran, DJEI

Sean Downey, CIF

Aidan Sweeney, IBEC

Linda Barry, SFA

Maria Gavin, EI

#### **Apologies:**

Ian Talbot, Chambers Ireland

Margaret Hearty, Intertrade Ireland

Neil McDonnell, ISME

John Shine, CCPC

#### **1. Minutes of previous meeting**

Minister of State Eoghan Murphy welcomed the representatives and reaffirmed the Government's commitment to continue supporting and enhancing SME access to public procurement opportunities. The minutes of the meeting of 14<sup>th</sup> February 2017 were agreed and will be published on the OGP website.

#### **2. Programme for Government review**

Minister Murphy mentioned that the OGP reported to the Department of the Taoiseach on progress regarding the Programme for Government. This included increased communication via briefings, undertaking an external review of TAS as well as looking at enhancing SME supports.

The Minister mentioned the question of raising the current threshold for advertising on eTenders from €25k. The threshold was established in 2010 so, given the changed economic circumstances, it is appropriate to now review the threshold. Having listened to the concerns of SME representative Bodies and SMEs at first hand at the regional briefings, there is a perception the requirement to publish on eTenders may be having an adverse impact on local SMEs. Raising the threshold could allow more flexibility to support local businesses and ease the administrative burden for both Contracting Authorities and SMEs.

The CIF could see benefits in increasing the threshold and stated that Circular 10/14 would need to be amended to give effect to any amendments. The SFA also said this is a positive proposal and that any amendment would need to be communicated to Contracting Authorities. IBEC, JEI and EI expressed concerns regarding the impact of raising the threshold on openness, transparency and data collection.

The Minister acknowledged the requirement to take account of these issues and getting an appropriate balance when considering the matter. Minister Murphy said he would like to make a decision on this shortly and therefore requested the group consider the matter and report back to OGP by 30<sup>th</sup> May as to their views and considerations on the matter.

### **3. Communication Strategy Update**

The OGP updated the group on the SME Communication Strategy subgroup. Following a series of workshops to identify enhancement of initiatives in place and where there are gaps in SME knowledge and skills, a progress report was presented to the SME Representative bodies on 5<sup>th</sup> May with a proposal for a communication strategy. The group agreed to the proposal presented which shows a more targeted approach to increase suppliers' awareness, understanding and tendering skills in public tendering. This will be achieved by various means including videos explaining specific public procurement topics, industry targeted and regional breakfast briefings and events which will be tailored to SME needs thus having a greater overall impact and take up. These briefings will take stepping stone approach, increasing stakeholders' knowledge base and tendering skills as they progress through various events. The cooperation of Industry Representative Bodies in promoting these events is needed. The Minister endorsed the proposal and thanked the Subgroup for their work.

### **4. TAS Review**

Following feedback from the Group on the draft terms of reference for the external review of TAS which was circulated to the group at the previous meeting, the competition to appoint consultants to

conduct the external review has gone out to tender with a deadline of 5pm Wednesday 17<sup>th</sup> May for receipt of tenders. IBEC requested early engagement, including timelines for meetings, with the review to allow the views of Industry Representatives be taken into account appropriately.

#### **5. Transposition of the Concession Directive**

A stamped copy has now been received and it is hoped this will be signed by Minister Donohoe this week.

#### **6. Regional Ministerial Briefings**

Minister Murphy updated the group on the Ministerial briefings of which there have been three to date in Dublin, Cork and Galway which were all well attended. It is expected to continue with these over the coming months and the next locations identified are Mayo, Sligo, Cavan, Louth and Monaghan. It is important to continue with these regional events as they are beneficial in explaining the rationale behind the procurement reform programme as well as putting a face to the OGP and hearing the feedback at a local level.

#### **7. Brexit**

Minister Murphy advised that both Minister Donohoe and he are on the Cabinet Committee on Brexit. It is important that Public Bodies look at their supply chains that use UK goods and services and take appropriate mitigating action. JEI said that industry needs to consider opportunities in the services sector, where the UK are currently successful in the EU, and see potential areas for exploitation. IBEC said we need to consider issues such as intellectual property and contractual documentation.

#### **8. A.O.B.**

##### **The Public Services and Procurement (Social Values) Bill 2017**

Minister Murphy updated the group on the Bill, stating the Department of Public Expenditure and Reform has responded to the Finance/PER Dáil Committee with its consideration of the Bill. The Group will be kept updated on any developments. The SFA stated that they had met Deputy O'Rourke regarding this Bill and informed him that they believe that while the Bill is well intentioned it could have unintended consequences on their members.

### **OGP General Guidelines on Public Procurement**

The OGP advised that they are now finalised and will be published in the next week or so. They have been written in plain English and cover below as well as above threshold tendering and it is hoped that they will be a good aid to Contracting Authorities and Suppliers.

### **Small Business Innovation Research (SBIR) program**

EI advised that they have approval for several SBIR projects, five of which have gone to competition including one for Cork Airport, Cork County Council and Dublin County Council. They also advised that EI will be holding a SBIR event on 13<sup>th</sup> September, which will have several international speakers in attendance and extended an invitation to the group.

### **Actions**

The group should consider the matter of raising the threshold for advertising on eTenders from €25k and **report back to OGP by 30<sup>th</sup> May** as to their views and considerations on the matter.