



EUROPEAN CONSTRUCTION
INDUSTRY FEDERATION



2016

ANNUAL REPORT

Including reports of



FIEC

Created in 1905

Legal personality under French law

26 countries (23 EU, Switzerland, Norway and Turkey)

29 national member federations representing firms:

- of all sizes (from one person SMEs through to the large firms)
- of all building and civil engineering specialities
- practising all kinds of working methods (whether operating as general contractors or as sub-contractors)

Associate members:

EFFC European Federation of Foundation Contractors

EQAR European Quality Association for Recycling e.V.

Cooperation Agreement:

NFB National Federation of Builders (UK)

PARTNERSHIP



Social Partner in the European Sectoral Social Dialogue of the Construction Industry together with EFBWW (European Federation of Building and Woodworkers)
<http://ec.europa.eu/social/main.jsp?catId=480>



Cooperation with EIC (European International Contractors) for activities beyond Europe's borders
<http://www.eic-federation.eu>



The European founding member of CICA (Confederation of International Contractors' Associations)
www.cica.net



Participant in the ECF (European Construction Forum)
www.ecf.be



Member of EHF (European Housing Forum)
www.europeanhousingforum.eu



Partner Organisation of CEN (European Committee for Standardisation)
www.cen.eu



Member of ECCREDI (European Council for Construction Research, Development and Innovation)
www.eccredi.org



Associate Member of the "Enterprise Europe Network" of the European Commission
<http://een.ec.europa.eu>



Associate Member of Euroskills Europe
www.euroskills.org

CAMPAIGNS & PORTALS



Partner in the Renovate Europe Campaign
www.renovate-europe.eu



Partner in the OSHA (European Agency for Health and Safety at Work) Campaign on "Healthy Workplaces for All Ages"
www.healthy-workplaces.eu



Partner of "BUILD UP" ("The European Portal for Energy Efficiency in Buildings")
www.buildup.eu

PROJECTS



Partner in ChemXchange project – Creation of web-based database for SME users of chemicals in the construction sector
www.chemxchange.com



FIEC-EFBWW website on "Posting of workers"
www.posting-workers.eu



FIEC-EFBWW website on "Construction for youth"
www.construction-for-youth.eu

THE SECTOR

3.2

MILLION ENTERPRISES

95% are SMEs with fewer than 20 and 93% with fewer than 10 operatives

14.1

MILLION OPERATIVES

6.4%

OF EUROPE'S TOTAL EMPLOYMENT

30.9%

OF INDUSTRIAL EMPLOYMENT

42.3

MILLION WORKERS

in the EU depend, directly or indirectly,
on the construction sector*

Multiplier effect:

1 person working in the construction industry

=

2 further persons working in other sector*

* source: Communication from the Commission "The Competitiveness of the Construction Industry", COM(97) 539 of 4/11/1997, chapter 2

43.5%

OF GROSS FIXED CAPITAL
FORMATION

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€ 1,241

BILLION

Total construction
in 2015 (EU28)

8.5%

OF GDP IN 2015 (EU 28)

PRESIDENT'S MESSAGE



4

It gives me great pleasure to present the latest edition of the FIEC Annual Report at what is the end of my 2-year-term as FIEC President. The report sets out FIEC's activities from the 2015 General Assembly in Brussels to the 2016 General Assembly, again in Brussels. As ever, FIEC has focused its activities on defending, without any discrimination, the interests of the craftsmen, small, medium-sized and large construction firms affiliated with our Member Federations. In accordance with a long-standing tradition, our colleagues from European International Contractors (EIC) and the Confederation of International Contractors' Associations (CICA) also report on their activities.

The "Investment Plan for Europe" (also called the "Juncker Plan")

It was certainly THE highlight of the reporting period that the President of the European Commission, Jean-Claude Juncker, attended the FIEC Congress and personally presented this ambitious plan to a select crowd of high-level representatives from all areas of the construction sector, covering the entire value chain. Jean-Claude Juncker confirmed the important role which the construction sector had in the European Union's efforts to create growth and jobs, whilst at the same time respecting the requirements of sustainability, energy efficiency and energy production. He appealed to the sector to propose a sufficient number of appropriate projects for the forthcoming "project pipeline" of the European Investment Project Portal (EIPP).

The traditional FIEC statement "No investment, no future!" seems to have been taken up, at least at the European level. In most Member States there are considerable shortcomings in maintenance, repair and new investment in infrastructure and buildings.

Jean-Claude Juncker's appeal was followed up in 2016 by Commission Vice-President Jyrki Katainen asking FIEC to raise awareness of EIPP as a way of linking worldwide investors with EU project promoters, in order to attract a sufficient number of high quality investment projects from the beginning.

For this year's Congress, Vice-President Jyrki Katainen has agreed to be the key-note speaker. Speaking about "The Juncker Plan – one year after", he will present the developments so far and most certainly also explain what the Commission expects our sector to do.



(from left to right):
 Tore Nilsson (SE), Svetoslav Glossov (BG), Georgios Romosios (GR), Costas Roushas (CY), Johan Willemen (FIEC), Maxime Verhagen (NL), Jean-Claude Juncker, Jacques Chanut (FR-FFB), Ulrich Paetzold (FIEC-DG), Ricardo Gomes (PT), Colette Golinvaux (BE), Robert de Muelenaere (BE-DG), Lars M. Carlsen (DK), Hans-Hartwig Loewenstein (DE-ZDB)

The construction industry's commitment to the future of our planet

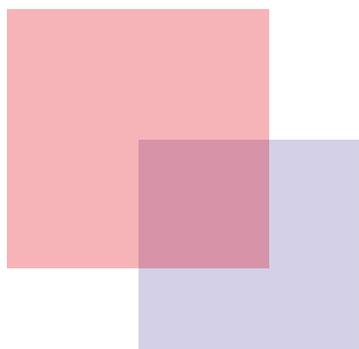
Another highlight was FIEC's active participation in Paris, in the COP21, the 21st global Conference of Parties to the United Nations Framework Convention on Climate Change. As part of the private sector events organised in parallel to the official programme, FIEC, together with FFB, FNTP and CICA, organised a specific construction conference which was awarded the right to use the official COP21 label by the French government.

On this occasion, FIEC also presented its "10 proposals to tackle climate change", which highlights the solutions the industry can offer and what the industry calls for, in order to help achieve climate change mitigation and adaptation.

At the same time, FIEC joined the Global Alliance for Buildings and Construction (Global ABC), created by the United Nations Environment Programme (UNEP) at the end of the first ever "Buildings Day" in the framework of COP. This "Buildings Day" is intended to become a regular feature of the next COP meetings.



'COP21 – Building Days' – Paris
 Mr Willemen signed the common statement, along with President of CICA, Mr Aykar





Launch of FIEC's manifesto "10 Proposals to tackle Climate Change" by the FIEC President on the occasion of the FIEC-FNTP-FFB-CICA Conference held in Paris on 4/12/2015

Labour mobility

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An all-time favourite topic is the mobility of our workforce. Recent developments have led to situations, some of them dramatic, which have to be addressed, in order to ensure that competition is fair and based on the respect of law. A delicate balance between mobility and long term sustainability of the national socio-economic models has to be struck.

FIEC and EFBWW, the two official Social Partners of the European Sectoral Social Dialogue, have been working together on this issue ever since the preparation of the "Posting of Workers" Directive. For this reason, the European institutions, including the Dutch Presidency of the Council of the European Union, are working closely with both organisations on these issues. In this respect I had the honour of representing FIEC in a recent meeting of the EPSCO (Employment, Social Policy, Health and Consumer Affairs) Council of Ministers in Amsterdam where I presented FIEC's views on this issue to the Ministers of the 28 Member States.

The recent proposal of the Commission for a targeted revision of the "Posting of workers" Directive has raised some concerns and we will need to follow it closely throughout the legislative procedure and undertake the necessary actions whenever needed. Fighting against social fraud, in particular in cross-border operations, and ensuring a level-playing field for our companies, whilst at the same time ensuring an adequate protection of workers' rights, must remain a priority for FIEC.

"FIEC has always been a kind of mirror for the development of the European Union. In the EU, we currently see many lively discussions on the future direction of the EU, with convictions, questions and doubts, sometimes even on such a fundamental issue as leaving the EU. Obviously, such a situation also has a certain impact on European organisations such as FIEC. It is an on-going challenge for me as the President of FIEC, as well as for my Steering Committee colleagues, the FIEC Team and the Member Federations to convince our members of the need for a competitive Europe and the need for increasingly stronger professional organisations for the defence of our collective interests."



Informal EPSCO Council meeting in Amsterdam (19/04/2016) on Labour mobility and posting of workers. Johan Willemen and Marianne Thyssen, European Commissioner for Employment, Social Affairs, Skills and Labour Mobility

My thanks

Let me take this opportunity to extend my thanks to everybody who, during my mandate, has participated actively or advised us in our work or with whom we have worked together on specific issues:

- my Steering Committee colleagues, the Presidents and members of our commissions, sub-commissions and working groups, all of them contractors or staff of our Member Federations,
- our social partner EFBWW (European Federation of Building and Woodworkers)
- our interlocutors in the European Parliament, the European Commission and the European Economic and Social Committee
- our colleagues participating in the European Construction Forum, ECF
- the FIEC Team in Brussels, led by our Director General Ulrich Paetzold.

To those who are leaving these bodies, we wish all the best for their new endeavours and I would like to assure those who are continuing or starting of our full collaboration. We look forward to working together with them.

Your opinion counts for us!

We look forward to receiving your comments or questions on the issues addressed in the Annual Report 2016, or any other construction industry topic, so please do not hesitate to contact us. We will respond to the best of our knowledge. In addition, our website www.fiec.eu provides a wealth of information and all our position papers.

Johan Willemen
President of FIEC

FIEC STEERING COMMITTEE 2014–2016

Johan Willemen, BE
President



Jean-Louis Marchand, FR
Vice-President
ECO
(FR)



Maxime Verhagen, NL
Vice-President
SOC
(BE-LU-NL)



Kjetil Tonning, NO
Vice-President
TEC
(DK-EE-FI-LT-NO-SE)



Alexander Pongratz, AT
Vice-President
Treasurer
(AT-CH-HR-HU-SI-SK)



Paolo Astaldi, IT
Vice-President
Competitiveness
(IT)



Michail Daktylidis, GR
Vice-President
ECF
(BG-CY-GR-RO)



Guillermo Aparicio, ES
(-12/2015)
Vice-President
MEDA
(ES)



Frank Dupré, DE
Vice-President
SME
(DE)



Emre Aykar, TR
Vice-President
CICA President
(TR)



Philippe Dessoy, BE
Vice-President
EIC President



Ricardo Gomes, PT
Vice-President
Communication
(PT-IE)



FIEC ORGANISATION CHART

GENERAL ASSEMBLY

Council

Steering Committee

Economic and Legal Commission (ECO)

President:
Jean-Louis Marchand, FR
Rapporteur:
Christine Le Forestier, FIEC

Working Group

Infrastructure & Financing
Chairman: Jean François Ravix, FR

Temporary Working Groups

International accounting rules
Chairman: N.N.

EU Contract Law
Chairman: Wolfgang Bayer, DE

Public Procurement
Chairman: Jan Wierenga, NL

Social Commission (SOC)

President:
Maxime Verhagen, NL
Rapporteur:
Domenico Campogrande, FIEC

**SOC-1:
Vocational Training**
Chairman: Alfonso Perri, IT
Executive Chairman: Jacques Lair, FR

**SOC-2:
Health and Safety**
Chairman:
Cristina García Herguedas, ES

**SOC-3:
Economic and Social
Aspects of Employment**
Chairman: Michel Gili, FR

Technical Commission (TEC)

President:
Kjetil Tønning, NO
Rapporteur:
Sue Arundale, FIEC

**TEC-1:
Directives, Standards
and Quality Assurance**
Chairman: Jan Coumans, BE

**TEC-2:
Research, Development
and Innovation**
Chairman: Bernard Raspaud, FR

**TEC-3:
Environment**
Chairman: Lennart Henriz, SE

Temporary Working Groups

End of Waste Criteria
Chairman: Chris Harnan, EFFC
Energy Networks
Chairman: Daniel Bosdari, FR

Competitiveness

President: Paolo Astaldi, IT
Rapporteur: Ulrich Paetzold, FIEC

WG Housing

Chairman : Martin Lemke, BFW
(-12/2015)

EIC – European International Contractors e.V.

President: Philippe Dessoy, BE
Director: Frank Kehlenbach, EIC

CICA – Confederation of International Contractors' Associations

President: Emre Aykar, TR
Director General: Roger Fiszelson, CICA

FIEC TEAM

Ulrich Paetzold
Director General



Christine Le Forestier
Director Economic & Legal Affairs (ECO)



Domenico Campogrande
Director Social Affairs (SOC)



Sue Arundale
Director Technical Affairs (TEC)



Yasmina Koeune
Assistant



Joëlle Caucheteur
Assistant



Sylvie Masula
Assistant



Muriel Lambelé
Accountant



Tina Van Roeyen
Communication officer-Webmaster
(1/6/2016 -)



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The Secretariat has a double responsibility: internally towards its member federations, and externally towards the European Institutions and other organisations both at the European and world levels. With the objective of defending and promoting the interests of enterprises in the construction sector. **So far as this “internal” role is concerned,** in the first instance it ensures the coordination and the proper functioning of internal bodies of the federation (General Assembly, Council of Presidents, Steering Committee, Commissions, Sub-commissions and working groups etc.) and on the other, ensures communications with the member federations which includes consulting them on all actions undertaken towards the European Institutions, directly or indirectly of concern to the construction sector.

As concerns its external role, this involves on the one hand representing the sector in its debates with the European Institutions, from the first consultative phases, ensuring the follow-up and proposing initiatives, through to individual specific actions of the organisations such as seminars and conferences. At the same time, the Secretariat takes care of the coordination of contacts and other actions with other organisations such as EIC (European International Contractors) and CICA (Confederation of International Contractors Associations).

FIEC CONGRESS 2015 - BRUSSELS

“Juncker Plan” and “Construction 2020” – Construction Industry Priorities for Competitiveness

Keynote Speech -
Jean-Claude Juncker,
President of the
European Commission



Opening Ceremony 5/6/2015

FIEC was honoured by the presence of Jean-Claude Juncker, President of the European Commission, who addressed the audience in Brussels, opening the congress with a lively key note speech.

President Juncker indicated that it is crucial for Europe to find an answer to the shortage of investment. For this reason his Commission has tried to set up a virtuous circle, made up of budgetary consolidation structural reforms and then investment geared towards growth and employment.

There is no alternative to healthier public budgets. If the problem of employment could be solved by public debts, then it would have disappeared a long time ago, considering the extent of debt in our states. For President Juncker the good recipe is a reduction of the debts, the consolidation of budgets and structural reforms.

For this reason, he has presented the Investment Plan for Europe, also known as the “Juncker Plan”, of €315 billion, in close cooperation with the EIB (European Investment Plan) in order to depoliticise the decision-making process.

This Plan also aims at activating private capital, which is not being used currently in the EU. It is important

that the private sector commits itself as much as the public sector to facilitate access to credit for SMEs.

Energy efficiency is an issue of particular importance for the construction industry, as 75% of all buildings in the EU are not energy efficient. This requires considerable investment into construction, which will also create qualified jobs, estimated at about 2 million. The Juncker Commission intends to increase investment in energy efficiency in buildings.

Finally, President Juncker explained why, according to him, the Stability Pact had to become more flexible: investment is an intelligent form of spending money and very different from consumption.

He concluded his intervention with the following words that have become the main slogan of his Commission “*The European Commission has to be big on big issues and small and modest on small and modest issues. We have to concentrate on the essentials*”.

FIEC President, Johan Willemen, said that in order to achieve long term sustainable growth in the economy and job creation, the EU should move from “blind” to “smart” austerity. He added that the construction industry welcomed the Juncker Plan and needed a real collaborative approach between construction companies, the public sector and the financial sector.



1st row from left to right: Philippe Dessoy (EIC President), Emre Aykar (CICA President), Ricardo Gomes (President FEPIOP), MEP Danuta Jazlowiecka, Jean-Claude Juncker, Colette Golinvax (President, Belgian Confederation), Maxime Verhagen (President Bouwend Nederland), Svetoslav Glossov (President BCC), Costas Roushas (President OSEOK), Hans-Hartwig Loewenstein (President ZDB)

Conference 05/6/2015

I. Panel One “A level playing field for growth” - socio-economic factors of competitiveness

As many other sectors, the construction industry has also been badly impacted by the ongoing economic crisis. While the industry represented almost 11% of EU GDP and close to 8% of EU total employment just before the crisis, at the time the conference was held it represented less than 9% of EU GDP and just slightly more than 6% of EU total employment. The industry is still struggling to grow – and it depends on growth in the general economy and investment by the public sector.

At the same time, the EU’s need for infrastructure – new, renovated and maintained – and for housing and energy efficiency in the built environment are enormous.

This is why FIEC welcomed the €315 billion Investment Plan presented by President Juncker in November 2014, in particular the priorities of investing in the EU’s future, that is, in key sectors like energy, transport, broadband, innovation, etc.

By June 2015, a pipeline of 2,000 projects had already been presented by the Member States and the European Commission and a new fund for strategic investment (EFSI) was about to be adopted. A special advisory platform for the identification, selection and follow-up of the projects was also envisaged.

However, during the conference, many open questions remained and needed to be clarified!

In particular, **Jean-Louis Marchand**, FIEC Vice-President in charge of Economic and Legal affairs, explained that contractors need to make this opportunity a reality! They must shift from a “wait and see” approach to a very proactive attitude. They must go for the money and initiate projects. He added that, considering the needs in terms of maintaining, renovating and building the EU’s infrastructure, together with the drying up of public investment, it is crucial to provide the right investment and business friendly environment for private investors! In this respect, the existing prudential rules are not appropriate... Moreover, the rules of the Stability and Growth Pact should be more flexible in order to boost public investment for growth. Finally, State Aid rules must also be adapted in order not to jeopardise the very objectives of the investment plan!

Gauthier Boulard, Member of the Board of Directors of the EIB, said that the EIB has a long tradition of supporting EU’s infrastructure projects. About €70 billion are invested each year. Here, the difference is that the EU guarantee helps to lever the EIB’s usual investment in smaller and riskier projects, as well as attracting private investors in these projects.

Alessandro Carano, Adviser to the Deputy Director General at DG ECFIN, European Commission, stressed that the Commission expects a leverage effect of 1 to 15, that is, one euro invested by the EIB would mobilise 15 euros from private investors. He added that the advisory hub and the portal of projects would come on top of the EU guarantee in order to help all stakeholders set up and promote good projects.



From left to right : Ricardo Gomes (FIEC VP), MEP Danuta Jazłowiecka, Johan Willemens (FIEC President), Jean-Claude Juncker, Colette Golinvax (President of the Belgian federation hosting the Congress)

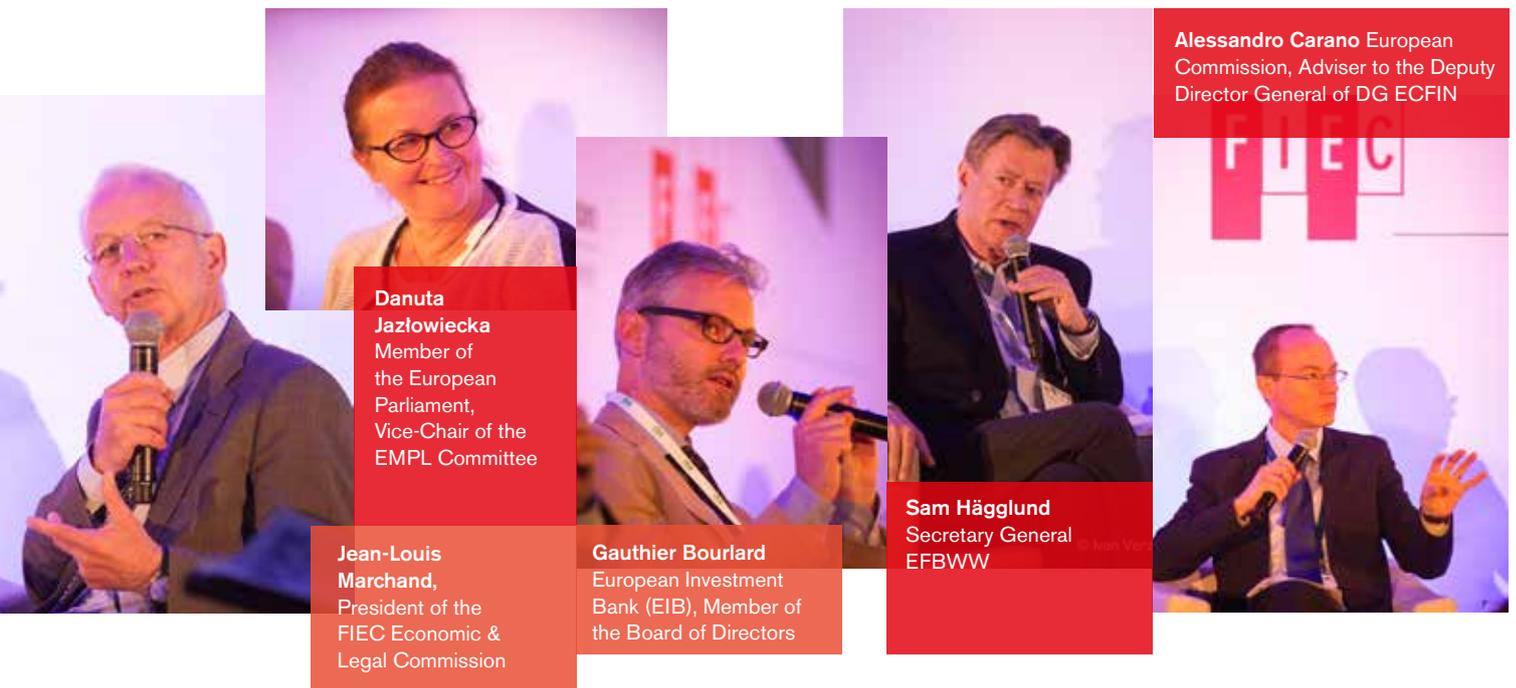
As regards the specific challenges that construction SMEs are currently facing, **Jean-Louis Marchand** stressed that these companies are in general very innovative (e.g. in the field of energy efficiency, new technologies like BIM, etc.) so that they could aspire to benefit from the Juncker Investment Plan, but it was not clear at all yet how they could access the fund.

Alessandro Carano and **Gauthier Bourlard** both explained that the EIF would provide €75 billion to SMEs (i.e. companies up to 250 workers) via national – public or private – intermediaries (e.g. commercial banks). However, the logic behind the investment plan was “first come, first served”, so that companies, even SMEs, should perhaps contact the EIB directly, and in particular the advisory hub, in order to check what might be available for them!

Addressing the necessary combination of both public and private investment in most projects to be supported in the framework of the investment plan, **Alessandro Carano** confirmed that PPP models will certainly be used as a priority, although the risk sharing aspects could be tricky.

Jean-Louis Marchand replied on this point that, more than PPPs *stricto sensu*, public and private players need to find new ways of collaborating in the framework of this investment plan, for the benefit of all, including the final users! Such new collaborative models should also better integrate SMEs, which should not always be left to subcontracting roles.

With the interventions of **MEP Danuta Jazłowiecka** (PL-EPP) and of **Sam Hägglund**, Secretary General of the EFBWW (European Federation of Building and



Danuta Jazłowiecka
Member of the European Parliament, Vice-Chair of the EMPL Committee

Jean-Louis Marchand,
President of the FIEC Economic & Legal Commission

Gauthier Bourlard
European Investment Bank (EIB), Member of the Board of Directors

Sam Hägglund
Secretary General EFBWW

Alessandro Carano European Commission, Adviser to the Deputy Director General of DG ECFIN

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FIEC General Assembly
Hotel Radisson Blu Royal – Brussels (5/6/2015)



From left to right: Alexander Pongratz (Treasurer), Johan Willemen (President), Ulrich Paetzold (Director General)

Wood Workers) the discussions also focussed on the fact that construction is a labour intensive industry and is characterised, amongst other things, by the high mobility of its workforce. Social factors therefore also play a key role in the overall competitiveness of the sector beside the economic ones.

The economic and financial crisis, which has significantly increased the competitive pressure and some loopholes in the existing legislation have led to an increase in social fraud and abuse (« letterbox » companies, bogus self-employment, abuse of social security payments, etc.) to the detriment of genuine and honest companies.

One of the major difficulties concerning the controls in the framework of a cross-border provision of services: labour inspectors are not always aware of the presence of foreign companies, checking the reliability of information with administrations of other countries is complicated, etc.

The opening of and the mobility within the Internal Market should not be put into question, but they have to take place within a framework that can guarantee a level playing field for companies and respect for workers' rights.

Welcome dinner – Comic Art Museum, Brussels (4/6/2015)



© Ivan Verzar



Colette Golinvau, Didier Reynders – Belgian Deputy Prime Minister and Minister of Foreign Affairs and European Affairs, Johan Willemen



Manfred Fuchs European Commission, DG GROW/Dir G Sustainable Growth and EU2020



Lennart Henriz Sveriges Byggindustrier (SE), Chairman of TEC-3 "Environment"



Claude Loréa CEMBUREAU, The European Cement Association



Josefina Lindblom European Commission, DG Environment

II. Panel Two « Resource efficiency » - technical factors of competitiveness

The theme of the second round table was resource efficiency in construction and its potential impact on competitiveness. The background to this theme was the European Commission's Communication from July 2014 on Resource Efficiency Opportunities in the Building Sector (COM 2014/445).

The round table opened with a recorded message from **Sirpa Pietikäinen MEP**. In her message, she said that competitiveness increasingly depends on resource efficiency and Europe is the region most dependent on imports of resources. She added that old fashioned methods cannot be relied on in future and society needs to consume in a sustainable way, with incentives in the form of legislation. She concluded that building renovation is essential.

The panel, namely **Josefina Lindblom**, DG ENV, European Commission, **Claude Loréa**, Construction Products Europe and CEMBUREAU, **Manfred Fuchs**, DG GROW, European Commission and **Lennart Henriz**, Chairman of TEC-3 then discussed what resource efficiency means for the construction industry.

Josefina Lindblom started by explaining why the Commission had started developing a voluntary building assessment framework and she outlined the work in progress and the estimated timescale. Both Claude Loréa and Lennart Henriz called for a definition of "resource efficiency" and both insisted that assessment should take place at building level and not at construction product level.

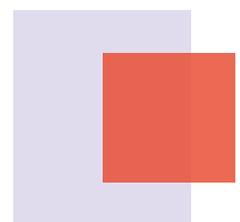
In conclusion, there was broad agreement about the need for better recycling facilities and clear guidelines on the handling of waste on construction sites. Furthermore, it was acknowledged that building owners, clients and citizens in general need to accept the use of recycled materials so that resource efficiency in buildings can improve.

FIEC's key messages about resource efficiency can be found in its position of September 2014 <http://www.fiec.eu/extranet/library/position-papers.aspx>



Gala evening – Egmont Palace (5/6/2015)

FIEC President Johan Willemsen congratulating Thomas Schleicher, FIEC Honorary President



COMPETITIVENESS

Paolo Astaldi, IT
President

Ulrich Paetzold, FIEC
Rapporteur



“Construction 2020”: another year of studies, preparing actions

Following Commission Vice-President Tajani’s preview at the FIEC Congress 2012 in Istanbul, the High-Level Forum (HLF) and its Thematic Groups (TG) have been working on the five priority areas for another year, assisted by an impressive number of studies and actions. The HLF meeting on 14/4/2016 focussed on the preparation of the items for discussion in the Ministerial Conference on Construction organised by the Slovak Presidency for 15-16/9/2016.

This chapter uses extracts of the documents and reports presented in this HLF meeting

16

“

The construction sector is crucially important

The performance of this sector has important impacts beyond its own area, namely on our climate and energy objectives, resource efficiency, safety and our quality of life.

Construction matters and I congratulate you on the work done over the past years. ”

Mrs. Lowrie Evans, Director General of DG GROW,
concluding the HLF meeting on 14/4/2016

A) Working Structure and Governance

The overall governance structure developed by the Commission has remained unchanged:

- **The High Level Tripartite Strategic Forum (HLF)**, monitoring the progress of the implementation of the Action Plan, providing opinions and following up on the recommendations of the 5 Thematic Groups.
- **The 5 Thematic Groups (TG)**, dealing with the 5 key strategic objectives
- **The Secretariat**, managed by the Commission’s “construction unit” (DG GROW.G.1) with the help of the consultancy firm ECORYS.

Both FIEC and EIC participate actively in the HLF and TGs and the connected studies (FIEC in all 5 TGs, EIC in TG 5 “international competitiveness”) and also provide input to the preparatory and follow-up work.

B) In the Thematic Groups

I. TG 1: Stimulate investment

The “European Construction Sector Observatory” (ECSO¹)

aims to collect data and analysis of economic trends, national developments etc. Up until now, the consultant has prepared pilot papers for 5 countries: Italy, Ireland, Poland, Sweden and the UK. Other countries will follow. Each national pilot paper consists of a “country profile” and a “policy measure fact sheet”.

Among the first country profiles, the one on Poland did not correctly present the reality. With the joint efforts of FIEC and the Polish federations of contractors (PZPB) and consulting engineers (PZBUI), these shortcomings were corrected.

II. TG 2: Skills & Qualifications

In the framework of a service contract, FIEC is providing the Directorate-General “Internal Market, Industry, Entrepreneurship and SMEs” (“DG GROW”) with support for a specific “construction pledges”-action (<http://ec.europa.eu/growth/construction-apprenticeships>) linked to the action organised by DG “Employment, Social Affairs and Inclusion” (DG EMPL), “European Alliance for Apprenticeship” (EAfA) (<http://ec.europa.eu/apprenticeships-alliance>)

1. *Note: “ECSO” must not be confused with “ESCO”. The latter is the “European Classification of Skills/ Competences, Qualifications and Occupations”, which is run by the Directorate General for Employment and Social Affairs on a series of professions, including some construction professions.

EAfA was created by the Commission in July 2013 on the occasion of “WorldSkills” in Leipzig. The aim of EAfA is the improvement of quality, quantity and image of apprenticeship training in Europe, inter alia, through the commitment of companies, associations, vocational training institutions and trade unions to certain actions in the field of dual training/ education.

In order to increase the visibility of the industry, “DG GROW” launched a construction campaign in the framework of “Construction 2020”. “Pledges” are published on the websites of both “DG GROW” and EAfA (see above).

The form for submitting such pledges, including some explanations, is available in 6 languages from <http://www.fiec.eu/en/news/news-2015/apprenticeships-for-the-construction-industry-of-tomorrow.aspx> and DG GROW (see above).

We look forward to receiving your pledge and we are at your disposal for any other information.



EAfA event in Riga (22/6/2015) center of the photo: Marcus Lehnhardt, a German mason apprentice and engineering student (Construction SME Koch, Wuppertal) responding to the questions of the moderator during the EAfA event in Riga.



“Boosting the European Alliance for Apprenticeships” (22/6/2015 in Riga) EAfA event (European Agency for Apprenticeships) with Ms Marianne Thyssen, European Commissioner for Employment, Social Affairs, Skills and Labour Mobility. FIEC represented by Ulrich Paetzold, Director General and Marcus Lehnhardt.



DG EMPL conference in Riga on 22nd June 2015, taking stock of EAfA, with construction participation:

- the European Social Partners FIEC and EFBWW submit a joint pledge.
- the German mason apprentice and engineering student Marcus Lehnhardt (construction SME Koch, Wuppertal) presents the advantages of such “dual studies”
- FIEC Director General presents the construction industry in a panel discussion.

III. TG 3: Sustainable use of natural resources

Pre-demolition-/ pre-renovation audit

- This study (consultant: “Risk Policy Analysis”) is addressing the question of how to define prior to demolition or renovation which waste has to be treated in which manner, in order to improve the potential for recycling.

WG “EU construction/ demolition waste management protocol”

- This work undertaken by the TGs’ Technical Secretariat (consultant Ecorys) is preparing a protocol, which proposes a quality management system, which ensures that recycled products correspond to the requirements of their intended use and increases confidence along the value chain.

Impact of construction waste on environment

This study (consultant: BIO Intelligence Service, Deloitte) for DG ENVI, is looking into the question of how to reduce waste and how to achieve the target of 70% of construction waste recycled.

Studies undertaken by the Commission’s JRC:

- Definition of indicators for the efficient use of construction material

- promotion of healthy and energy efficient buildings

Green Public Procurement

The Commission is developing criteria for office buildings and road construction.

For more details on some of these items please refer to the Technical Commission chapter in this report.

IV. TG 4: Internal Market

The “Fitness Check”

The Commission is preparing a “Fitness Check” focused on 15 EU legislative texts (2004 – 2014) in the policy fields of Internal Market, Energy Efficiency, Environment and Health & Safety and, more specifically, on those provisions within these EU texts that may impact the building sector (not civil engineering).

Two preparatory studies have been undertaken by the consultants Economisti Associati and Risk Policy Analysis. An “evaluation workshop” on the draft results of these studies is scheduled for 26/5/2016.

Study “Simplification and mutual recognition in the construction sector under the Services Directive”

The Commission recently presented a study (consultant: Ecorys) on the Services Directive (2006/123/EC), one of the 15 legislative texts of the “Fitness Check”. The study is aimed at identify gaps and remaining barriers, as well as assessing the impact the Services Directive had on authorisation schemes imposed on construction service providers. The study concludes that there is “a wide range of obstacles to both establishment and temporary cross-border provision at the regulatory and administrative level”.

According to the 2015 Single Market Strategy, the Commission is now preparing legislative action. “Reducing administrative and regulatory obstacles to construction service provision across EU countries will ensure that service providers enjoy more of the benefits of the Single Market.”

The study (224 pages) can be downloaded from http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=ET0116073

The public consultation

As part of the "Fitness Test" the Commission launched an open consultation to gather experience, views and opinions of interested stakeholders and the public on the impact of current EU legislation for the construction sector. Participation in this consultation is open until 20/6/2016 via the website http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8725&lang=en&title=Consultation%2Don%2Dthe%2DFitness%2DCheck%2Dfor%2Dthe%2DConstruction%2DSector

V. TG 5: International competitiveness

The main issue of this TG has been the EIC initiative concerning the blending of EU grants and European soft loans for so-called "non-commercially viable" public sector infrastructure projects in Africa ("Blending 1.0") with commercial bank financing covered by European export credit insurance capacity ("Blending 2.0").

For details please refer to the EIC Chapter, item V (page 58).

C) A Commission vision for construction

In her conclusions from the HLF meeting on 14/4/2016, Mrs. Lowrie Evans, Director General of DG GROW, presented some aspects of the Commission's vision for the future of the industry, for example:

- There is a unanimous view that construction is crucially important for Europe.
- One thing is clear: the full potential of construction to generate more growth and more jobs sooner rather than later is not being fulfilled.
- Both the construction value chain and the public sector need to drive the modernisation process harder to realise this potential.
- Different and better policies are needed at national and European level.

- The sector is much better than its image suggests and this misperception has to be corrected.
- Skills shortages have to be tackled.
- The digital transformation will enable the sector to better respond to new market requirements and to strengthen its international competitiveness.
- The Commission's aim is to have a common vision with Member States about how we can support the modernisation process of the construction value chain and help EU construction enterprises to seize the opportunities of the Single Market.
- Investment is necessary in construction, maintenance and renovation of infrastructure and buildings, as well as in smart construction and digital design. The Investment Plan for Europe (EFSI) is there to help finance some riskier investments.
- Vocational training and university studies have to evolve quickly, in order to adapt to modern developments, on the basis of closer cooperation of construction businesses and training professionals.
- Excessive administrative and legislative burden, discriminatory practices and unjustified restrictions on service provision across the EU have to be reduced, for example with a "services passport" which would eliminate the multiple requests for documents when wishing to work in another country.

D) Ministerial Conference on Construction

This conference, scheduled to take place in Bratislava on 15-16/9/2016, is being organised by the Slovak Council Presidency and the Commission around two main headings:

- the construction sector's interrelations with EU-level cross-sectoral policy initiatives,
- strengthening the business environment for construction, in order to support improvements in its performance and increase the sector's competitiveness.

JOINT FIEC/EIC ACTIONS



Complementarity: FIEC and EIC joining force and sharing expertise

For some years, the importance of international issues also having a direct impact on the EU Internal Market has increased. Considering that the international interests of FIEC Member Federations and their contractor members are defended by FIEC's sister organisation "European International Contractors" (EIC), combining forces, expertise and efforts of both federations is the most efficient way forward.

EIC's statutory international activities are outlined in the EIC chapter starting on page 58.

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Fair competition on open markets:

In order to avoid any misunderstanding, FIEC and EIC would like to reiterate that they are firmly opposed to any form of protectionism and are in favour of fair competition in mutually open markets. Competition, provided it is fair and healthy, based on contract conditions which allocate risks fairly, contributes to progress and innovation, whereas unfair and unhealthy competition, based on unfair conditions and the lowest price only, endangers the EU economy and society. FIEC and EIC are in favour of genuinely reciprocal market access opportunities and corresponding incentive measures (i.e. trade defence instruments) at EU level, if international negotiations do not achieve tangible progress.”

A) Third country state-owned enterprises in the EU Internal Market

The access of third country state owned enterprises to EU public procurement markets continues to be an on-going issue and it is essential not to lose interest in it, just because there have not been many new cases observed over the last 12 months, except some projects involving dredging companies. The economic crisis and the related budgetary problems of many Member States are likely to tempt contracting authorities to seriously consider combined financing and construction contracts offered by third country state-owned enterprises.

Also the efforts to attract foreign investment to Europe, for example for the "Juncker Plan", but also for national projects, might result in an increasing number of third country construction companies working in the EU, although their home markets are closed to foreign contractors, in practice.

B) "Market Access" Regulation

Following the blocked situation in the Council and the new Commission's decision in December 2014: "Proposal to be amended in line with the priorities of the new Commission in order to simplify the procedures, shortening timelines of investigations and reducing the number of actors in implementation."¹, an amended proposal was published on 29/1/2016².

¹ Commission Work Programme 2015 [COM(2014)210], Annex II, item 50

² COM(2016)034

The Commission summarises its amended proposal on an "International Procurement Instrument" (IPI) as follows (extracts):

1. Deletion of the possibility to close the market and limitation of possible restrictive measures to price penalties – now called "price adjustment measures".

Contrary to the initial proposal, foreign bidders can be awarded the contract, if despite the price adjustment the offer remains competitive in terms of price and quality.

2. Elimination of the possibility for contracting authorities to decide autonomously a prohibition on foreign bidders' participation in their tenders by deleting the decentralised pillar (former Art. 6).
3. Third-country tenderers have to prove that less than 50% of the total value of their tender is made up of non-covered goods and services originating in this third country. This is a change of the burden of proof, compared with the original proposal.
4. The price adjustment measure would not be applicable in relation to European small and medium-sized enterprises (SMEs) and bidders and products originating from developing countries subject to "GSP+" (Generalised System of Preferences) treatment, in line with the EU trade and development policy towards these countries. The same applies for the exclusion from the instrument of SMEs, which ensures coherence of the IPI also with the wider EU policy in this area.
5. A new provision would allow targeting territories at regional or local level, like states, regions or even municipalities.
6. It is proposed to shorten the time for the Commission's investigation in the centralised procedure in addition to eliminating the decentralised pillar, completely.
7. In line with the Commission's approach to transparency in trade policy, it is proposed to make public the findings of the Commission investigations identifying barriers to tenders in third countries.

8. It has been clarified that the instrument will apply to all procurement and concessions which are covered by the EU procurement and concession directives adopted in February 2014 (which excludes for example concessions regarding water supply services).

In their initial joint position paper of 29/2/2016, FIEC/ EIC requested to ask for the withdrawal/ refusal of this amended proposal, considering that "the amended proposal is far too weak and will not achieve the intended result of reciprocal opening of third-country procurement markets."

With regard to the contents of the amended proposal, FIEC/ EIC reject the elimination of the "decentralised procedure" (item 2 above) and propose limits to the possible restrictive measures to ineffective price penalties. Contracting authorities of Member States must be able to decide autonomously a prohibition on foreign bidders' participation in their tenders as a legal right resulting from the EU's membership in the WTO Agreement on Government Procurement (GPA).

C) Fair contract conditions in case of EU financed projects

Whereas in the past the problem of unfair (FIDIC) contract conditions was mainly a concern for European international contractors working in overseas markets, the problems with modified FIDIC "Red Book" and "Yellow Book" contract conditions continued also within the European Union, mainly in the Central and Eastern European Countries, where they had been "imported" by international financing institutes during the pre-accession times.

The fact that there are EU Directives for the award of public contracts but not for the conditions of these contracts makes it particularly difficult to involve the European Commission or other institutions in discussions on unfair contract conditions.

The only EU text referring to this is Recital 65 of the Connecting Europe Facility (CEF)-Regulation (1316/2013): "*In order to ensure broad and fair competition for projects benefitting from CEF funds, the form of the contract should be consistent with the objectives and circumstances of the project. Contract conditions should be drafted in such a way as to fairly*

allocate the risks associated with the contract, in order to maximise cost-effectiveness and enable the contract to be performed with the optimum efficiency. This principle should apply irrespective of whether a national or international contract model is used".

I. WG "Poland"

At the request of the Polish federations PZPB (contractors) and ZPBUI (consulting engineers), FIEC and EIC continued to join forces and share expertise also in the current reporting period.

Referring to Recital 65 of the CEF Regulation, FIEC/EIC had discussions with Transport Commissioner Violeta Bulc, her cabinet and the services of DG MOVE (Mobility and Transport) on issues arising in projects financed by CEF, in Poland, for example the motorway S61 "Via Baltica". In the meeting with the cabinet, FIEC/EIC were accompanied by the consulting engineers' organisations FIDIC/EFCA, in order to show that contractors and engineers have the same interest in fair contract conditions as a basis for good and efficient work.

The current state of affairs can be summarised as follows:

- The Commission is highly interested in ensuring that the European taxpayers' money is well spent and in a correct manner.
- However, they see limits in what they can actually do.
- So far as the procurement directives and general EU law are concerned, the Commission has the legal basis for taking measures, if necessary.
- Concerning contract conditions, the Commission considers that it would be able to refer to the above mentioned recital but that it would not have a legal basis for more severe measures.

FIEC/EIC will continue their joint actions in favour of fair contract conditions, both in Poland and other EU countries, if and when appropriate together with FIDIC/EFCA.

D) "Ethics" (combating unethical behaviour in procurement)

This joint working group, chaired by Per Nielsen (EIC Treasurer, former FIEC Vice-President), has been revived, considering that the voice of contractors has to be more prominent in all these discussions, conferences and other actions, in which construction, rightly or wrongly, tends to be mentioned as one of the sectors high at risk.

I. ISO 37001 anti-bribery management standard (PC³/278)

This initiative is based on the British standard BSI 10500 on anti-bribery management which itself was a response to the "UK Bribery Act 2010" (entered into force in July 2011), which in turn was the UK response to UNCAC, the "UN Convention Against Corruption" from 2003. It is worth mentioning that the BSI standard is also taken as the basic document for the ISO standard.

On 9/9/2014, FIEC was formally granted "liaison status" with ISO PC/278, so that the FIEC/EIC representative Per Nielsen was able to attend all meetings in 2014, 2015 and 2016. Being the only representative of private construction business, he succeeded in contributing an impressive number of improvements based on practical experience.

The Draft International Standard was circulated to the National Member Bodies of ISO with 6/4/2016 as the deadline for the ballot and approved by a large majority of ISO members. There will be a final meeting of PC/278, in order to add the final touches and in September 2016, ISO standard 37001 should be published and can be used in practice.

FIEC/EIC welcome this publication and suggest that in the construction industry not only the private sector, i.e. contractors and consulting engineers, use this standard, but also public sector clients. On the one hand, the public sector would give a good example and on the other, this would increase the overall effects intended by this standard.

3. ISO definition of "PC": **Project Committees** are established when there is a need for an International Standard on a specific topic that does not fall into the scope of an existing **Technical Committee** (TC). Project Committees are disbanded once the standard has been published.

II. Construction Sector Transparency Initiative (CoST)⁴

"CoST is a country centred multi-stakeholder initiative designed to promote transparency and accountability in publicly financed construction", initially focusing on international construction markets, in which Per Nielsen is the industry representative in the Board.

"At CoST's core is the belief that the processes involved in the construction of public infrastructure must be made more transparent. The public must be armed with the information they need to hold decision makers to account and to ensure better value for money in the construction sector.

CoST is making this ideal a reality. It works with government agencies to gather, verify and disclose information into the public realm.

*Creating a more transparent sector ultimately leads to better public infrastructure, offering potentially huge human benefits, for individuals and communities across the world. It also reduces waste in public budgets, enables fairer competition in the private sector and increased opportunities for investors."*⁵

In this framework, FIEC and EIC gave support to CoST in drawing the attention of the European Commission (DG DEVCO, DG REGIO) to this initiative and its potential benefits for construction work on international markets, but also in the Internal Market.

CoST is currently undertaking a strategic review process, in order to explore how it could increase its impact and have more countries and organisations supporting this initiative. In this review process, FIEC/ EIC is represented by EIC Director Frank Kehlenbach.

4. <http://www.constructiontransparency.org/home>

5. <http://www.constructiontransparency.org/the-initiative?forumboardid=1&forumtopicid=1>



Public hearing organised by the Roads Subcommittee of the Infrastructure Committee of the Polish Parliament ("Sejm"), chaired by MP Jerzy Szmít. The FIEC/ EIC WG "Poland" participated actively in this public hearing held in Warsaw on 30/9/2015, defending the principle of fair and balanced contract conditions in public procurement contracts.

ECONOMIC AND LEGAL COMMISSION (ECO)

Jean-Louis Marchand, FR
President



Christine Le Forestier, FIEC
Rapporteur (Maternity leave: 2 until 5/2016, replacement
Marie-Lorraine Bareth (BE – Confederation Construction)
& Nicolas Gaubert (FR – FNTP)

WORKING GROUP "INFRASTRUCTURE & FINANCING":



Jean-François Ravix, FR
Chairman

Nicolas Gaubert, FR
Rapporteur



Vincent Piron, FR
Vice-Chairman



Daniel Boscarì, FR
Vice-Chairman

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TEMPORARY WORKING GROUPS:

PUBLIC PROCUREMENT

Jan Wierenga, NL
Chairman

Dick Van Werven, NL
Rapporteur



EU CONTRACT LAW

Wolfgang Bayer, DE
Chairman

Christine Vöhringer-Gampper, DE
Rapporteur



A) Infrastructure & Financing

Europe has been going through a period marked by a substantial fall in investments since the onset of the economic and financial crisis in 2008. This particularly worrying situation concerns both public and private investment. This is having significant repercussions in terms of the competitiveness of the European Union and job creation. The challenge is therefore to create a positive dynamic capable of contributing to the long-term economic recovery of the European Union.

I. Investment Plan for Europe

The "Investment Plan for Europe" (called the "Juncker Plan") is one of the principal policy initiatives of the European Commission. Unveiled at the end of 2014 by President Juncker, the Investment Plan for Europe aims to mobilise at least €315 billion of public and private investment for the real economy over the next three years.

The Juncker Plan is based on three pillars:

- the creation of a guarantee instrument, the European Fund for Strategic Investments (EFSI), attached to the European Investment Bank (EIB), with the goal of financing long-term infrastructure projects and providing funds for SMEs;
- the launch of a reserve of investment projects identified at European level, supported by a European Investment Advisory Hub (EIAH) involving the Commission and the EIB, to provide European investments with the necessary technical support;
- the introduction of a more investment-friendly environment through structural regulatory reforms, the development of new sources of long-term financing and the removal of certain barriers within the Single Market.

“ Although a rigorous socio-economic evaluation is carried out in advance, FIEC believes that creating project reserves can help the private sector to identify projects and, if necessary, contribute to exploiting the synergies between different sources of financing. ”

1. Implementation of the European Fund for Strategic Investments (EFSI)

A joint initiative involving the EIB Group (European Investment Bank and European Investment Fund) and the European Commission, the aim of the European Fund for Strategic Investments (EFSI) is to bridge the investment gap currently experienced by the EU by mobilising private financing. The EFSI has a guarantee of €16 billion from the EU budget, supplemented by a contribution of €5 billion made by the EIB from its own capital. On the basis of this guarantee, the EIB's role is to issue additional bonds for a total amount of €60 billion. The funds raised in this way are intended to make it possible to cover the initial losses of the projects supported by the EIB. The resources mobilised within the framework of the EFSI guarantee enable the EIB to carry out higher risk projects without threatening the financial solidity of the EIB Group.

Adopted in June 2015, the regulation establishing the EFSI makes it possible to support the financing of economically viable projects in areas where this brings added value. This concerns infrastructure (transport, energy and digital networks) as well as projects involving energy efficiency and support for small and medium-sized enterprises.

Although FIEC regretted that part of this guarantee instrument came from the total allocation for the budgetary instrument dedicated to major European infrastructure (Connecting Europe Facility), it nevertheless welcomed the effort to mobilise more private investment. Indeed, one of the special features of the European economy is the abundance of private savings invested in the short term at a time when there are heavy constraints on the public finances of the Member States.



European Workshop “Cohesion policy and financing opportunities for urban development in 2nd tier cities” (13/10/2015 – Brussels)

From left to right: Mark Duncan (Manchester City Council), Antonio Paparella (DG GROW), Fulvia Raffaelli (DG GROW), Colin Wolfe (DG REGIO), Gerry Muscat (EIB) and Daniel Boscarì (FR-FNTP, Vice-Chairman FIEC WG “Infrastructure & Financing”)

In order to share the initial experience of the EFSI, FIEC held a workshop on the subject of the “Juncker Plan” in January 2016. In addition to an exchange between the different Member Federations of FIEC on the nature of the projects initiated, the day also involved speakers from DG MOVE (“Infrastructure and innovation” window of the EFSI) and DG GROW (SME window). Furthermore, an energy renovation operation carried out in Picardy (France) with the support of the EIB was presented as a concrete example of projects financed through the use of a guarantee instrument.

Almost a year after its entry into force, the first balance sheet of the Investment Plan for Europe proves to be relatively satisfactory. Around fifty projects were approved under the “Infrastructure and innovation” window, with more than 150 “SME” operations approved. Efforts must nevertheless be made to coordinate between the different sources of public funding in Europe (EIB, Connecting Europe Facility, European structural and investment funds) so as to strengthen the leverage effect of these financial instruments.

A further condition for success rests in the ability to create investment platforms on the ground, i.e. ad hoc structures intended to combine small-sized projects for the purpose of obtaining sufficient volume (an essential condition for the EFSI guarantee).

Finally, a regulatory framework more favourable to long-term investment will also contribute to the success of the EFSI. The entry into force in April 2016 of a Delegated Act¹ known as Solvency II, to make investment in infrastructure projects more attractive, is a first step.

2. Preparation of projects and their funding

The preparation of projects eligible for EFSI intervention is an important condition for the success of the Investment Plan. In this regard, the European Investment Advisory Hub (EIAH) assists with the preparation, funding and implementation of EFSI qualified projects. In operation since September 2015, this assistance to project promoters directs them to the most appropriate form of EIB support on the basis of its expertise in these financial instruments. FIEC has established regular contacts with this advisory hub (which has already provided support to about 100 project developers throughout Europe) so that it can inform its members of the nature of the services provided.

Accordingly, it met hub representatives in December 2015 in order to provide accurate and detailed information during the Juncker Plan workshop held in January 2016.

Furthermore, FIEC closely monitored the developments of the European Investment Project Portal (EIPP), the purpose of which is to act as a link between investment opportunities and potential investors. Launched in the spring of 2016, this portal aims to increase the visibility of projects by helping potential investors to find detailed information and investment opportunities. Although a rigorous socio-economic evaluation is carried out in advance, FIEC believes that creating project reserves can help the private sector to identify projects and, if necessary, contribute to exploiting the synergies between different sources of financing.

¹ Article 290 TFEU gives the co-legislators Parliament and Council the following possibility: 1. A legislative act may delegate to the Commission the power to adopt non-legislative acts of general application to supplement or amend certain non-essential elements of the legislative act.

II. The Connecting Europe Facility

The Connecting Europe Facility is a budgetary instrument for transport, energy and telecommunications infrastructure for the period 2014-2020. Its aim is to support projects of common interest implemented in the infrastructure sector for transport, telecommunications and energy. The total budget allocated to the ECF for the period 2014-2020 (adjusted downwards after a cut to support the European Fund for Strategic Investments) is €30.4 billion. Almost 80% of the total package (24 billion, 11.3 billion of which is targeted at countries benefiting from the Cohesion Fund) is dedicated to transport infrastructure within the framework of the Trans-European Transport Network.

An initial call for proposals was made in September 2014 by the European Commission (DG MOVE) and closed in February 2015. Representing a total amount of € 12.7 billion, 263 transport infrastructure projects were granted through financing agreements signed by the Innovation and Networks Executive Agency (INEA). A second call for proposals was launched in September 2015 and closed in February 2016. The total amount of funding available was €7.6 billion. The number of proposals submitted to the European Commission (427, for an estimated total of €13 billion) illustrates the high demand at a time when public sources of financing are drying up.

Calls for proposals were also made within the framework of the Connecting Europe Facility in the energy sector (for up to €200 million for a call launched at the beginning of 2016) and the digital sector.

FIEC will continue to monitor these developments throughout the current multi-year financing period.

III. European Parliament Intergroup on “Long-term Investment and Reindustrialisation”

Created within the European Parliament for the 2014-2019 legislative term due to the active support of 65 MEPs, the purpose of the “Long-term Investment and Reindustrialisation” intergroup is to promote reflection on long-term funding, a key factor in the economic recovery. This initiative has received the support of numerous public and private actors in the financial sector and the real economy, including FIEC.

Multiple events have accompanied the intergroup's activities, particularly in the field of infrastructure funding (transport, energy and digital). In addition, in the context of follow up to COP 21 held in Paris in December 2015, an event took place in February 2016 to identify the next steps in combating climate change. The Vice-President of FIEC, Kjetil Tønning, spoke at this conference, focusing particularly on the solutions provided by the construction sector to climate change challenges.

FIEC is working on the preparation of an event dedicated to investment in transport infrastructure, which is to be held in the autumn of 2016 in partnership with Insurance Europe and the Long-Term Infrastructure Investors Association.



FIEC Information Workshop on the Juncker Investment Plan for Europe (21/1/2016 - Brussels)
From left to right: Jean-Louis Marchand, Stéphane Ouaki (EU Commission-DG MOVE), Drazen Budimir (EU Commission-DG GROW), Elodie Denizart (European policy officer-Region Nord-Pas-de-Calais-Picardie)

IV. Future “road charging” package

The European Commission is to present a new framework in 2016 making it possible to pass on to transport users the cost of the negative effects they cause (air pollution, CO2 emissions and road congestion). Due to the sensitive nature of this subject, the adoption of a road charging package has been postponed on numerous occasions.

FIEC remains strongly committed to this subject and has, since the implementation of the “Eurovignette” directive, supported the “user pays” and “polluter pays” principles, believing that the revenue generated should be devoted to sustainable transport infrastructure. It also referred to this position during meetings held by DG MOVE in September-October 2015, in advance of the initiative planned for 2016.

FIEC will closely monitor the proposals of the European Commission.

B) Public Procurement

I. Follow-up of the transposition

2016 spells the end of the transposition period for the three Public Procurement Directives. In this framework, FIEC is organising follow-up meetings on the implementation process, so that Member Federations can exchange information about the situation at their respective national levels and raise specific problems that they face. FIEC is also cooperating with the European Commission to obtain a clearer interpretation of the Directive and to evaluate the European Commission’s strategy.

The European Commission confirmed to FIEC its objective of promoting wider use by Contracting Authorities of the award criteria based on the best price quality ratio rather than on the lowest price only.

The Commission is also developing a series of initiatives aimed at helping Member States to improve the performance of both administration and beneficiaries when responding to calls for tenders, for EU investments during the 2014-2020 programming period.

II. “Market Access” Regulation

In a context where the European public procurement market is very open to the rest of the world, whereas in contrast, European enterprises face various barriers in many third countries, on 29th January 2016 the European Commission presented a proposal to discourage discrimination against EU companies.

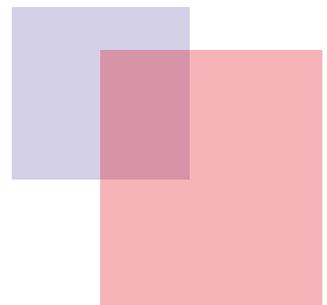
The main goal of the proposal is to improve the access of EU economic operators to public sector contracts in third countries, by providing price penalties of up to 20% for tenders originating in countries where restrictive or discriminatory measures or practices against EU operators exist.

These sanctions would be implemented by a mechanism where the Commission could initiate investigations in cases of alleged discrimination. If discrimination were to be established, EU companies would be able to initiate consultation with the country concerned. If the said consultation was not to lead to corrective measures, the European Commission might decide to impose “price adjustment measures”, if 50% of the contract was made up of goods and services originating from the country in question. However, these measures would only apply to contracts with an estimated value greater than or equal to €5 million. Member States and contracting authorities/entities would be forbidden to apply any other restrictive measures in respect of the third country economic operator.

FIEC/EIC recognise the need to empower the European Commission to take generally applicable restrictive measures regarding market access by third country operators, but this proposal gives exclusive and discretionary powers to the Commission. Moreover, this proposal is an even weaker attempt to establish a level playing field for international access to public procurement than the first draft Regulation on a market access instrument, which was published in 2012.

Therefore, FIEC/EIC are asking for the withdrawal of the proposal, unless it is amended considerably.

See also report in the chapter “joint FIEC/EIC Action” (p.20)



III. Electronic procurement

FIEC welcomes the European Commission's willingness to simplify procedures and to reduce costs for companies, in particular SMEs. However, it appears that the Electronic Single Procurement Document is not simple or short enough to have a real impact.

1. European Single Procurement Document

The Public Procurement Directive requires Member States to cut red-tape and encourages the division of contracts into lots in order to facilitate the participation of SMEs. But, the Directive adopted in summer 2013 also obliges the European Commission to develop a standard form that will enable companies of all sizes to declare that they qualify to bid for the contract.

Indeed, Article 59 of the Directive on Public Procurement states "At the time of submission of requests to participate or of tenders, contracting authorities shall accept the European Single Procurement Document (ESPD), consisting of an updated self-declaration as preliminary evidence in replacement of certificates issued by public authorities or third parties confirming that the relevant economic operator fulfils the [necessary] conditions."

The aim of this standard form for self-declaration of eligibility is to reduce the administrative burden for enterprises, especially small and medium-sized enterprises, when presenting their suitability to bid for contracts.

By 2018, this new document will allow all businesses to electronically declare that they meet the necessary regulatory criteria or commercial capability requirements. Only the successful company will have to submit all documents proving that it qualifies for the contract. Until 18th October 2018, the European Single Procurement Document may be printed, completed manually, scanned and sent electronically.

FIEC welcomes the European Commission's willingness to simplify procedures and to reduce costs for companies, in particular SMEs. However, it appears that the Electronic Single Procurement Document is not simple or short enough to have a real impact.

2. Electronic Invoicing

On 16th April 2014, the co-legislators agreed on the Directive on "Electronic Invoicing in Public Procurement". This Directive introduces a European Standard for electronic invoicing, as a solution for the different e-invoice formats used across the European Union, aimed at reducing the administrative burden and high cost for enterprises and public entities.

After the development of a common interoperable standard by the European Standardisation Organisations, enterprises will be obliged to accept electronic invoicing that respects the new standard form. Nationally specific rules will remain valid, meaning that business will not be obliged to use electronic invoicing.

On 9th September 2015, a Project Committee was launched by CEN, to develop standards in support of European Electronic Invoicing. FIEC was granted liaison status and will have a representative on this Project Committee.

FIEC welcomes this new Directive, which reduces the administrative burden and associated expenses for businesses, without imposing rules that may be too strict for them.

“ FIEC welcomes the European Commission's willingness to simplify procedures and to reduce costs for companies, in particular SMEs. However, it appears that the Electronic Single Procurement Document is not simple or short enough to have a real impact. ”

IV. Trade Secrets

In the absence of severe legal consequences following the breach of confidentiality rules, it often happens that confidential information of significant commercial value presented by contractors when they respond to a tender, is illegally used or disclosed by clients or competitors.

In this context, in autumn 2013, the European Commission published a draft Directive on “the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure”, aimed at aligning national laws against the misappropriation of trade secrets in the European Union.

In a situation where the European Parliament was torn between the protection of and the right to information, FIEC advocated that contractors' confidential information provided in the framework of public or private procurement should also be covered by this directive, as complementary protection for them.

On 15th December 2015 the negotiating teams of the European Parliament and the Council reached an agreement on the text of the Directive, which was later approved by the Parliamentary Lead Committee. The trialogue agreement safeguarded FIEC's demands to cover contractors' confidential information provided in the framework of public or private procurement, under this Directive.

The agreement will be approved by the European Parliament in its plenary meeting on 13th April 2016. Subsequently, Member States will have two years to transpose it into national law.

V. Responsible Sourcing of Minerals

To make sure that the mining and trade of minerals do not fuel conflict and human rights abuses in conflict-affected countries, in March 2014 the European Commission presented a draft Regulation setting up a “Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas”.

Although at first glance this proposal had, no direct impact on construction companies, FIEC was concerned about specific accompanying measures and more particularly:

- The integration of a performance clause in its own public procurement, so that tenderers responding to public procurement notices of the European Commission would bear the responsibility of proving that their products or services are free from any “conflict minerals”.
- The integration by Member States of such a performance clause in their government procurement and a specific guide for this purpose, so that tenderers would be impacted in the same way when participating in national government procurement.

In the following months, FIEC's fears were reinforced by the European Parliament's position calling for a stricter mandatory mechanism. The European Parliament also voted for the extension of the proposal to the whole supply chain, rather than the upstream part, as previously suggested by the European Commission and for the enlargement of the product scope to all raw materials.

Thanks to FIEC's communication with the European Commission (DG TRADE and DG GROW), the European Parliament (INTA Committee) and national authorities - through its Member Federations - the trialogue negotiations appear to have taken a positive turn. Indeed, negotiating parties seem to agree upon the European Commission's proposal for a compromise, which limits the focus to only the upstream part of the supply chain and limits the product scope to the 3Ts (Tin, Tantalum and Tungsten) and gold.

Triologue negotiations should continue over the spring and eventually reach an agreement, before the end of the Dutch presidency of the Council, as desired by the latter.

C) Single-member Private Limited Liability Companies (SUP)

After the withdrawal of its proposal on the European Private Company Statue (SPE), the European Commission decided to look again at one of its hobby-horses, namely the cross-border activity of SMEs. In this context, in September 2014 the European Commission adopted a draft Directive on the “Single-member private limited liability company (SUP)”, aimed at facilitating the establishment of companies with a single-shareholder across the EU.

The Commission proposes the creation of a form of society which would be the same

in all Member States, in order to tackle start-up and operating costs through:

- The simplification of the registration procedure, by making the completion of the entire process online possible;
- A minimum capital of 1€ and a ban on national requirements to build up legal reserves;
- The possible separation of the administrative seat and the registered office.

FIEC quickly reacted to the proposal, as it contains many loopholes and the potential for abuse, such as the creation of letter-box companies.

The proposal also received mixed reactions from the European Parliament, as nearly all political fractions in the EMPL Committee voted for the withdrawal of the proposal. Discussions have also been delayed in the JURI Committee (Lead Committee), following a letter sent by the left wing political fraction of the European Parliament (GUE/NGL, the Greens/ European Free Alliance and S&D), which also asked for the withdrawal of the proposal. The EPP is also struggling to find an agreement among its members, causing rumours of a possible withdrawal by the Lead Committee.

D) Late Payments Directive

As mentioned in the Late Payments Directive, the European Commission will report to the co-legislators on its implementation by March 2016. FIEC has followed the evaluation process closely, as this topic is very important for the construction sector.

There is little evidence that the Directive has had an impact on the payment behaviour and the exercise of the rights conferred by the Directive is not widespread, mainly due to the fear of damaging good business relations. Therefore, the awareness of the impact of late payment will be raised and certain aspects of the Directive clarified (particularly the calculation of contractual terms and the definition of the term “grossly unfair”).

The evaluation of the Directive highlights the fact that the construction sector is suffering the most from late payments, because of increased competition, the lack of credit and the structure of the sector, which involves a long value chain of economic operators.

E) The Single Market Strategy

On 28th October 2015, the European Commission published a communication, aimed at assessing remaining obstacles or barriers to the Single Market and possibly removing them. FIEC and the ECO Commission will closely follow the evolution of the following actions expected, to be taken by the European Commission in 2016:

- The Services Passport Initiative, aimed at simplifying administrative burdens for companies in the framework of cross-border services provision, based on the “mutual recognition” principle;
- The different legislative actions to address regulatory barriers in the construction sector;
- The VAT Action Plan, including a simplification package for SMEs and the revision of rules on VAT rates;
- The different initiatives in the field of company law, including a simplification package for SMEs and a legislative proposal on business insolvency;
- An initiative on regulated professions, to improve access to and the exercise of professions requiring minimum technical, legal or managerial qualifications.



FIEC General Assembly
(5/6/2015 – Brussels)
Jean-Louis Marchand,
FIEC Vice-President,
presenting the activities of
the ECO Commission

© Ivan Verzar

Here are just a few examples of what the Economic and Legal Commission has delivered over the past year:

- It reiterated in all relevant position papers and press releases throughout the year that growth and jobs cannot be achieved without investment in construction.
- In particular, it actively participated in the follow-up of the Juncker Investment Plan.
- It served as a platform for exchanging information about construction activity and sectoral measures implemented in the various Member States.
- It provided support to Member Federations for the implementation of the new public procurement directives at national level.

Position Papers

FIEC position paper on the Draft Directive on single-member private limited liability companies (SUP) (2015/6/08)

Press Releases

FIEC press release – Construction industry: first signs of hope after hitting rock bottom (2015/6/08)

FIEC press release – FIEC meets Commissioner for transport: "Let's find solutions for the maintenance of infrastructure" (2015/4/13)

Answers to public consultations

FIEC contribution to the European Commission public consultation on remedies in public procurement (2015/7/17)

FIEC contribution to the European Commission public consultation on intellectual property rights and trade secrets in public procurement (2015/7/07)

Participation in public events

Presentation by D. Boscari, Vice-Chair WG "Infrastructure & Financing" – "Cohesion policy and financing opportunities for urban development in 2nd tier cities, the point of view of contractors" (2015/10/13, Brussels)

Participation of U. Paetzold, FIEC Director General, in FFSA conference – Debate on the French decennial liability of European builders (2015/9/23, Brussels)

Presentation by U. Paetzold, FIEC Director General – "Practical issues in the operation of the EU reforms on public procurement, the construction industry perspective" (2015/6/15, Nottingham)

Participation of C. Le Forestier, FIEC Director of Economic and Legal affairs, in EFBWW seminar on public procurement – Debate on social issues in public procurement (2015/5/28, Frankfurt)

Presentation by V. Detemmerman, Director at Belgian Confédération Construction – "The European construction market and energy-related issues" (2015/4/28, European Lift Association conference, Paris)

All these documents are available on the FIEC website www.fiec.eu



SOCIAL COMMISSION (SOC)

Maxime Verhagen, BE
President

Domenico Campogrande, FIEC
Rapporteur



SUB-COMMISSION SOC-1

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“HEALTH AND SAFETY”

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A) Training, youth employment, improving the image of the sector: an investment for the future

Despite what the EU and its member countries are doing, employment prospects for young people in the EU are bleak. One in five under 25 years old who is looking for work cannot find a job. Approximately 7.5 million young people under 24 are neither working, nor in education or training.

In addition, in most Member States the construction industry is still suffering from a negative image which affects its attractiveness and which, to some extent, explains the difficulties in hiring and keeping young people as well as skilled workers.

Therefore, attracting young people to the construction industry, which in 2014 represented 8.8% of the EU28 GDP and which remains a labour intensive activity, can provide an important contribution to help combat the extremely high levels of youth unemployment that the EU is facing nowadays.

The unprecedented high number of refugees and asylum seekers in the EU and their integration also represents a major challenge for the construction industry. The issue will be addressed in the framework of the Social Dialogue, in order to identify and promote opportunities for their integration in the EU labour market, amongst other ways, through targeted training and education schemes.

I. Attracting and retaining young people in the construction industry: a key challenge for the future

It is for the above reasons, amongst others, that in the framework of their Social Dialogue FIEC and EFBWW undertook a joint project, co-financed by the European Commission, aimed at presenting national best practice concerning tools/initiatives to promote youth employment and to improve the working conditions of young people in the construction industry. The exchange of best practice on initiatives for promoting youth

employment and improving working conditions can provide an extremely useful input for the setting up and the development of targeted new initiatives, by showing how other stakeholders in other countries have addressed the same concerns.

The website (www.construction-for-youth.eu) was launched in January 2015 and contains information about more than 40 different initiatives from 13 different countries. It will be updated on a regular basis with new initiatives being developed at national level.

Also with the aim of promoting a positive image of the sector to young people, FIEC is continuing its partnership (associate partner) of "WorldSkills Europe" (www.euroskills.org), a body which promotes excellence in the field of skills and competence development across the EU.

The activities of FIEC are also focussing on apprenticeships and work-based learning as a way to facilitate the transition from education and training to work. One of the main reasons for this approach is that evidence suggests that countries with a strong vocational education and training (VET) and apprenticeship systems have lower levels of youth unemployment than countries without such systems.

VET students and apprentices will be able to learn valuable workplace skills in a professional environment, ensuring a greater degree of future employability and companies that engage apprentices are likely to benefit from a net profit on their investment, either during the apprenticeship or soon after by employing a fully trained worker.

In the framework of an initiative financially supported by the European Commission (DG GROW) FIEC is currently promoting apprenticeship and obtaining pledges from construction companies and relevant stakeholders.



Conference on “Promoting Decent Work” (8/2/2016 – Amsterdam)
 organized by the Dutch Ministry for Social Affairs and Employment – The Netherlands EU Presidency 2016



Panel Discussion with Social Partners (Geopa, FNV, ETUC, BusinessEurope, EFBWW and FIEC)

 Maxime Verhagen, FIEC Vice-President



Such pledges could be linked to : promoting, introducing and developing apprenticeship-type training in companies that have not previously used such schemes; transferring apprenticeship schemes which have proven their success in a country/region to another country/region where no such scheme is being used; reviewing existing apprenticeship models, both general schemes used in a country/region and specific schemes used by individual companies, in order to explore how appropriate capacities could be guaranteed and how the quality, efficiency and visibility of such apprenticeship training models could be increased.

A joint FIEC-EFBWW pledge for apprenticeship has also been signed underlining the joint commitment to:

- encouraging “quality” apprenticeship partnerships among their respective members, in order to accelerate the creation/ improvement of VET systems where necessary,
- promoting the exchange of best practice examples, in order to spread out knowledge of successful VET systems and disseminate good ideas on how to create/ improve their VET systems,
- continuing to address VET issues in industrial relations at European level and via the member organisations at national level in order to increase the chances of “real” improvement in practice

II. Developing entrepreneurial skills: establishing the basis for employability

Entrepreneurship education is about developing the skills and mindset to be able to turn creative ideas into entrepreneurial action. It is a key competence for all learners and it is relevant across the lifelong learning process, in all disciplines of learning and all forms of education and training (formal and informal) which contribute to an entrepreneurial spirit. At the European level it has been defined as: *“A sense of initiative and entrepreneurship refers to an individual’s ability to turn ideas into action. It includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives”.*

The promotion of entrepreneurship in education and training has been given broad priority both at EU and national/regional level, underlining the need for efficient collaboration between different educational levels and working and business life with the objective of helping to promote innovation and entrepreneurship in all forms of education.

In this framework it is important to highlight that the benefits of education and training in entrepreneurship are not limited to the establishment of enterprises, innovative projects and new jobs. As mentioned above, entrepreneurship is concerned with the individual’s ability to transfer ideas into action and it is therefore suitable for everyone and can also help young people to become more

creative and to increase their employability. It is therefore more than focussing on a business, but also being able to cope with challenges, driving change and taking responsibility.

The construction industry offers significant opportunities and perspectives and in this respect entrepreneurship could effectively contribute to more jobs in the sector.

EFBWW and FIEC will therefore focus on entrepreneurship and assess existing national initiatives and subsequently consider possible joint actions.

B) Improving Health & Safety (H&S) for the benefit of enterprises and their workers

Despite the overall reduction in the number of work related accidents and illnesses, improving health and safety in the workplace continues to be an important field of action for the construction sector and therefore one of FIEC's main priorities.

The improvement of health and safety can also be achieved through promoting the development of a real culture of health and safety within each company, with the involvement of all the concerned stakeholders.

I. Cooperation between employers and workers for promoting a culture of health and safety (H&S)

In the framework of the Social Dialogue, and with the financial support of the European Commission, FIEC and EFBWW developed a European Guide for encouraging and helping companies to introduce and develop an H&S management system. Such a system, to be endorsed on a voluntary basis, would take into account the needs and capacities of SMEs and would be flexible enough so as to take into account measures already existing at national level.

A formal H&S management system is not a target in itself, but may be of great help to the company in preventing and solving the essential health and safety problems in a simpler and more systematic and practical way.

The size of the company should not be an obstacle for setting up such an H&S management policy. It is the duty and the responsibility of each company, independent of size, to care about the health and safety of its workers. Of course each approach should be developed according to the capacity of the company. The approach of a small family business will not be the same as that of a large international group.

The Guide does not intend to replace existing European and/or national legislation on H&S, which must in any case be respected, and it should therefore be considered as a complementary tool, which is consistent with the International Labour Organisation's ILO OSH 2001 guidelines, as well as with EU legislation on health and safety.

In order to effectively promote a culture of H&S amongst construction companies, and in particular SMEs, it is important to continue to disseminate this Guide as widely as possible.

II. Working safely with earth moving machines

A construction worksite is a place of continuous change and which sees the interaction of many different stakeholders. These characteristics have strong implications on occupational safety and health, in particular regarding earth-moving machinery, which can be the source of serious and fatal accidents. Hazard sources include the (heavy) machine itself, the amount of moved ground or material, the interaction with other parts or types of machinery, possible inadequate operation of the machine and the overall safety of the construction worksite. Design issues, especially the ergonomics of the machinery itself, play an important role as well (access to the machinery, driver seats, overall ergonomics of the machine). The operator's visibility around the machine also plays a crucial role.

In this respect, each stakeholder has an important role to play. Employers need to put in place adequate safety measures. Workers need to understand the risks, their consequences and the precautions that they need to take to enable safe use of construction equipment. The manufacturers of construction equipment and machinery strive to deliver products to the market that generate the highest productivity, lowest environmental impact, as well as the highest standards of safety for workers and those in the equipment's vicinity.

Machinery safety standards can also contribute to a decrease in accidents and occupational hazards. Through CECE, the Committee for European Construction Equipment, as well as the European standardisation bodies, manufacturers are working to transpose, update and improve European regulations and standards on a continuous basis. The support and contribution to the standardisation process by all parties concerned, is essential to continue safety improvements in the construction sector.

Against this background, FIEC, the EFBWW and CECE decided to launch a joint project, which received the financial support of the European Commission (DG EMPL), aimed at improving the health and safety conditions when working with construction machinery by establishing, as a first step, a better dialogue between all parties concerned, namely the users and the producers of such machinery. The dialogue between them should investigate partners' concerns, exchange information, review solutions and explore ways and means to improve existing design and configuration of machinery and standard processes.

The project partners believe that a better dialogue between them could also help establish a more structured exchange of information and deeper understanding. This would in particular also benefit the standardisation process, in terms of quality and credibility as well as speediness and implementation.

The project started at the beginning of 2016 and will last until July 2017. It will be based on specific targeted workshops that will be organised throughout the duration of the project.

III. Management of psycho-social risks at the workplace: improving quality and productivity at work

The European Survey of Enterprises on New and Emerging Risks (ESENER) found that over 40% of employers consider psycho-social risks more difficult to manage than 'traditional' OSH (Occupational Safety and Health) risks. In addition, according to the OSHA Bilbao Agency a survey of senior managers found that almost half of them believed that none of their workers would ever suffer from a mental health problem during their working life. The reality is that up to one in six will suffer from psycho-social illnesses. However, it is complicated to determine clearly which ones are exclusively work-related.

Studies suggest that 50–60 % of all lost working days can be attributed to work-related stress and psycho-social risks. It is the second most frequently reported work-related health problem in Europe — after musculoskeletal disorders.

Employers in Europe have a legal obligation to assess and manage psycho-social risks at the workplace and they are encouraged to implement additional, voluntary measures to promote mental well-being. Such legal obligations and voluntary initiatives are important to running a successful business and retaining a motivated and healthy workforce.

FIEC and the EFBWW already collaborated on this topic in 2004 for a publication by CLR (Construction Labour Research) entitled "Stress in the European construction sector up-to-the-minute?".

FIEC and the EFBWW now intend to launch a new joint social dialogue project aimed at assessing the main factors of psycho-social risks in the workplace in the construction sector, at collecting and sharing examples of national best practice and finally at developing a common methodology to address such risks tailored to the needs and circumstances of the construction sector. The project is expected to be launched by the end of 2016.

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FIEC and EFBWW meet
Minister Lodewijk Asscher, NL
(9/12/2015 – The Hague)



C) The need to ensure a level-playing field in an open EU Single Market

I. A delicate balance between mobility and long term sustainability of the national socio-economic models

Construction companies are confronted with an increasing competitive pressure in which cases of fraudulent practice and forms of unfair competition occur. This is due, amongst other things, to a legislative framework which is sometimes unclear, to difficulties in enforcing it or to difficulties in undertaking adequate controls, in particular in cross-border operations. But also to very different national social security regimes, which, within the current legislative framework, can become a serious additional concern in cross-border operations.

Mobility and freedom to provide services within the Single Market are amongst the main pillars of EU competitiveness and should therefore be promoted. However, this should be done in the light of the economic and social models that have been put in place in the different Member States, in order not to endanger their long term sustainability.

It is for these reasons, amongst others, that the European Commission announced, in 2015, a so-called "Mobility package", which has led to a targeted revision of the "Posting" Directive (96/71/EC), adopted on 8/3/2016 by the European Commission, and some amendments to the Regulation on the "Coordination of the social security systems" (883/2004/EC), which should be adopted after the referendum in the UK. The main objective of this initiative is to fight more efficiently against social dumping and social fraud and thereby to achieve a level-playing field based on the real competitiveness of companies.

In view of this initiative FIEC and the EFBWW drew up joint proposals, which they presented and discussed with Commissioner Marianne Thyssen, responsible for Employment, Social Affairs and Mobility, amongst other things, as well as with the Ministers of Social Affairs of Luxembourg, Nicolas Schmit, and of the Netherlands, Lodewijk Asscher, at the beginning of their respective EU Presidencies.

Such proposals and requests focus on practical measures such as, for example:

“ Mobility and freedom to provide services within the Single Market are amongst the main pillars of EU competitiveness and should therefore be promoted. However, this should be done in the light of the economic and social models that have been put in place in the different Member States, in order not to endanger their long term sustainability. ”

- Ensuring correct implementation and application of the « Enforcement » Directive (2014/67/EC), with the direct involvement of the national social partners
- Improving the reliability of A1 forms
- Improving the collection of social security contributions in the case of temporary cross-border provision of services
- Providing legal clarity as regards the position of temporary agency workers in the framework of « Posting ».
- Encouraging reinforced bilateral or multilateral cooperation in this area between public administrations.



Maxime Verhagen gives the Joint FIEC-EFBWW Position Paper against social fraud to the Dutch Minister for Social Affairs, Lodewijk Asscher, The Netherlands EU Presidency 2016

For FIEC all the proposed measures can be put in place without revising the "Posting" Directive and thereby avoiding the danger of an endless political debate between "receiving" and "sending" countries, as well as putting into question the provisions and the credibility of the « Enforcement » Directive (2014/67/EU), adopted in May 2014, which is currently still being implemented at national level.

FIEC and EFBWW stated their willingness to collaborate with the European Commission for the implementation of these requests and proposals, in order to ensure long term sustainable growth and employment in the construction industry.

II. Tackling undeclared work by means of an EU Platform

In 2014 the European Commission proposed to set up a European Platform against undeclared work - a complex phenomenon that causes serious damage to working conditions, fair competition and public budgets and the features of this proposal are fully in line with the requests put forward by FIEC during the initial consultation phase.

This new platform would bring together national enforcement bodies involved in tackling undeclared work, such as labour and social security inspectorates and tax and migration authorities, as well as other stakeholders, such as EU-level representatives of employers and employees.

The platform would become a forum, through which stakeholders could share information and best practice, explore national and EU tools to face shared problems, such as the phenomenon of "bogus self-employment" for example, explore ways to improve data exchange between national administrations and strengthen cooperation.

The legislative process leading to the setting up of such a platform ended at the beginning of 2016 and its launch should take place in the first half of the year.

The success of such a platform will depend mainly on the willingness and the commitment of its stakeholders, in particular of the representatives of the Member States, to effectively tackle the phenomenon at its roots.

III. "Services passport": added value or threat ?

Throughout 2015 a study was conducted on behalf of the European Commission by an external consultant entitled "Simplification and mutual recognition in the construction sector under the Services Directive" [MARKT/2014/087/E]. This study is part of DG GROW's "Construction 2020" initiative, in particular Thematic Group 4 "Internal Market". see also special chapter "Competitiveness" (p.14).

The European Commission also published at the end of 2015 its Single Market Strategy in the form of a Communication entitled "Upgrading the Single Market" [COM(2015)550], aimed at assessing remaining "obstacles"/"barriers" and possibly at removing them. Elements of the above study were incorporated in the Single Market Strategy.

One of the main outcomes of the Communication and of the study is that the construction sector, which was benchmarked against other sectors, has been highlighted as being the one with the most remaining "barriers". It has been concluded that something must be done.

In order to overcome the potential barriers that still remain within the Internal Market and to reduce the administrative burden of companies wishing to provide their services in other Member States, the European Commission stated in the above Communication that it intends to : *"...launch a legislative initiative introducing a "Services passport" with a harmonised notification form and an electronic document repository to increase certainty and reduce barriers for service providers who want to access other EU markets in order to expand their activities"*.

As yet, there are no specific proposals regarding what such a "Services passport" would or could contain and the Commission indicated its willingness to discuss this directly with the main stakeholders of the concerned sectors, and in particular with the social partners, namely FIEC and the EFBWW (European Federation of Building and Wood Workers) for the construction industry.

Such a "Services passport" could indeed provide some benefits to companies in terms of a reduction in the administrative burden, but the fact that it would be based on the "country of origin" principle could also raise some possible concerns.

Position Papers

Joint position by the European social partners of the Agriculture, Cleaning, Construction, Horeca and Security services sectors regarding the proposal for a decision on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work (20/4/2015)

FIEC position on the proposal for a directive on single-member private limited liability companies (SUP – COM(2104)212) (8/6/2015)

Joint letter of various sectoral employers' organisations to the European Commission on "Respirable Crystalline Silica" (11/3/2016)

Press Releases

Joint FIEC - EFBWW Press Release - The social partners of the construction industry, EFBWW and FIEC, present their views against social fraud to Minister Schmit (Lux) (22/5/2015)

FIEC Press Release - FIEC's representativeness as Social Partner in the European Sectoral Social Dialogue "Construction" again confirmed by EU study (08/10/2015)

Joint FIEC - EFBWW - Press Release - The social partners of the construction industry, EFBWW and FIEC, ask Minister Asscher (NL) to make the fight against social fraud a key priority of the next EU Presidency (10/12/2015)

FIEC Press Release - Proposed amendments to the "Posting" directive: more difficulties than real solutions? (08/3/2016)

FIEC Press Release – Labour mobility and posting of workers: FIEC message to the Ministers in the EPSCO Council (21/4/2016)

Participations in public events

EESC (European Economic and Social Committee) & CoR (Committee of the Regions) Conference "Freeing Europe safely from asbestos" Brussels, BE (24/6/2015)

Participation in panel discussion of Ms. Cristina Garcia Herguedas, Chairwoman of the Health and Safety sub-commission of FIEC

"Working conditions of tomorrow" - Conference organized by the Grand Duchy of Luxembourg

Here are just a few examples of what the SOC Commission has delivered over the past year, on its own or jointly with the EFBWW (European Federation of Building and Wood Workers) within the sectoral European social dialogue:

- FIEC-EFBWW website on "Initiatives for youth employment in the construction industry" (www.construction-for-youth.eu)
- Joint FIEC-EFBWW proposals against social fraud presented to Commissioner Thyssen, Minister Schmit (Minister of Social affairs, Employment and Solidarity of Luxembourg) and Minister Asscher (Deputy Prime Minister and Minister of Social Affairs and Employment of the Netherlands)
- Joint FIEC-EFBWW pledge for apprenticeship for the European Alliance for Apprenticeships
- Partner in the project "Enhancing administrative cooperation through coordinated transnational actions" coordinated by INTEFP and ASTREES (FR)

during the Presidency of the EU Council Mondorf-les-Bains, LU (11/9/2015)

Round Table "Acting for fair working conditions in the construction sector"

Presentation of the joint position FIEC/ EFBWW by Maxime Verhagen, FIEC Vice-President, Chairman of the FIEC Social Commission

Work mobility workshop of Eurociett (European Confederation of Private Employment Services) Brussels, BE (15/9/2015)

"Activities and experience linked to the Posting of workers" Presentation by Domenico Campogrande, Director Social Affairs

European Education, Training and Youth Forum 2015 – New priorities, Forum organised by DG EAC (Education and Culture) Brussels, BE (19-20/10/2015)

Initiatives for Youth Employment in the construction industry Presentation (EN) by Domenico Campogrande, Director Social Affairs

Conference "Promoting Decent Work", organized by the Dutch Ministry for Social Affairs & Employment – Amsterdam (8-9/2/2016)

Participation in Panel discussion of Maxime Verhagen, FIEC Vice-President, Chairman of the Social Commission

Informal EPSCO Council meeting on Labour mobility and posting of workers – Amsterdam (19-20/4/2016) – Intervention of Johan Willemsen, FIEC President

FIEC is the European Construction Industry Federation, representing via its 30 National Member Federations in 27 countries (24 EU & EFTA and Turkey) construction enterprises of all sizes, i.e. small and medium-sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities.

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FIEC Press Release

08-10-2015

FIEC's representativeness as Social Partner in the European Sectoral Social Dialogue "Construction" again confirmed by EU study

After more than 2 years of research Eurofound has published its "representativeness" study on the European Social Dialogue Committee in the construction sector. This study, which is part of the European Commission's regular review process, covers the social partners at the European (FIEC and the EFBWW) and national levels, as well as other organisations having requested to be consulted. The study provides an in depth analysis of the EU27 countries.

In its conclusions the study confirms that "on the employer's side, FIEC with its encompassing membership domain with regard to the construction sector and its relative organisational strength with regard to the whole sector can be regarded as the main representative of the sector's business as a whole".

Among others, this study highlights that through its affiliates in the various Member States FIEC represents, without discrimination, construction enterprises of all sizes, including micro enterprises, SMEs, family owned/ managed firms and large international companies, covering 56,1% of all employees/ workers in the construction industry.

FIEC welcomes the publication of this factual study which should allow the clarification of some erroneous statements regularly made on these issues. FIEC also considers this repeated confirmation of its role in EU representativeness studies a recognition, which underlines the value of the initiatives and actions undertaken for more than 25 years, in the framework of what later became the EU Sectoral Social Dialogue, with its counterpart representing the workers, the European Federation of Building and Woodworkers EFBWW. At the same time, this confirmation also motivates FIEC and its national Member Federations to continue this constructive and successful collaboration for the benefit of the European construction industry.

FIEC - European Construction Industry Federation

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EFBWW (European Federation of Building and Woodworkers) is the European Industry Federation for the construction industry, the building materials industry, the wood and furniture industry and the forestry industry. The EFBWW has 76 affiliated unions in 34 countries and represents a total of 2,000,000 members.



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FIEC is the European Construction Industry Federation, representing via its 30 National Member Federations in 27 countries (24 EU & EFTA and Turkey) construction enterprises of all sizes, i.e. small and medium-sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities.



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FIEC/EFBWW Press Release

10.12.2015

The social partners of the construction industry, EFBWW and FIEC, ask Minister Asscher (NL) to make the fight against social fraud a key priority of the next EU Presidency

■ Yesterday the European sectoral Social Partners of the construction industry met the Minister of Social Affairs of the Netherlands, Mr. Lodewijck Asscher, in order to ensure that their joint proposals against social fraud are included amongst the EU priorities.

At the beginning of January 2016 the Netherlands will hold the Presidency of the Council of the European Union until mid-2016 and will have to deal with important and sensitive issues such as, for example, the forthcoming "Mobility package", which should put an end to social dumping practices, as promised by the President of the European Commission Mr. Jean-Claude Juncker.

Minister Asscher congratulated EFBWW and FIEC for their efforts in trying to provide joint answers to complex topics such as the fight against social fraud, which is undermining the EU competitiveness and social *acquis*, and encouraged other sectors to follow their example.

Maxime Verhagen, Vice-President of FIEC, underlined that *"in order to make the EU stronger we have to avoid a split between Western and Eastern Member States by providing pragmatic solutions that allow an effective level playing field for companies and an adequate protection of workers' rights"*.

Janna Mud, head of FNV representing the EFBWW stated that *"a crucial matter is to ensure that we have a fair level playing field and that existing EU legislation should be clear, adequately implemented and applied. In addition we must ensure that any European solution safeguards the autonomy of the social partners at European and national level"*.

Amongst their joint proposals EFBWW and FIEC underlined to Minister Asscher the need for :

- Ensuring an adequate and efficient implementation and application of the « Enforcement » Directive (2014/67/EC), with the direct involvement of the national social partners.
- Improving the reliability of the A1 forms, amongst others by fixing a maximum duration.
- Improving the collection of social security contributions in case of temporary cross-border provision of services.
- Creating a single European business registration number and a uniform EU social security ID number for all workers.

EFBWW and FIEC underlined the urgency in tackling these issues and stated their willingness to collaborate with the Presidency of the Council of the European Union for a pragmatic approach in the fight against social fraud as well as with all the other EU institutions, for the implementation of these requests and proposals.

All these documents are available
on the FIEC website www.fiec.eu

TECHNICAL COMMISSION (TEC)

Kjetil Tønning, NO
President

Sue Arundale, FIEC
Rapporteur



SUB-COMMISSION TEC-1

SUB-COMMISSION TEC-2

SUB-COMMISSION TEC-3

“DIRECTIVES, STANDARDS AND
QUALITY ASSURANCE”

“RESEARCH, DEVELOPMENT AND
INNOVATION”

“ENVIRONMENT”

44



Jan Coumans, BE
Chairman

Eric Winnepenninckx, BE
Rapporteur



Bernard Raspaud, FR
Chairman

Pascal Lemoine, FR
Rapporteur



Lennart Henriz, SE
Chairman

Marianne Hedberg, SE
Rapporteur

A year for the planet – COP21 2015 was the year that world leaders agreed a historic deal at the United Nations Climate Change Conference (COP 21)¹. Amongst other things, the measures include an agreement to keep global temperature increase «well below» 2°C and to pursue efforts to limit it to 1.5°C.

A) Regulatory Matters

I. Construction Products Regulation (CPR)

Following the consultation in November 2014, the European Commission started to look ahead to its own report on the CPR (foreseen in the regulation), which is expected in spring 2016. In several TEC-1 meetings, FIEC considered seriously the overall direction of the CPR and started work on a position on the CPR and standardisation, with a view to reaching eventually a joint position with Construction Products Europe.

1. Report on the CPR – Risk and Policy Analysts (RPA)

The European Commission appointed RPA to produce a report on the implementation of the CPR. The final report was published on 31st July 2015, which was inconvenient timing for any of the relevant federations to give a formal response, as the long summer break had already started. However, the report was discussed in the Standing Committee on Construction in September (see below). Moreover, FIEC gave an informal reaction in a workshop on the interim report, held in March 2015.

In brief, FIEC was disappointed that the report appeared to be heavily biased towards manufacturers and, to a certain extent, the relevant public authorities. These stakeholders appeared to be pleased with the interim report, which concluded – amongst other things - that CE marking had increased the credibility of the CPR, whilst it had had no impact on free movement of construction products.

It should be stressed that the participation of contractors in the consultation that preceded the report was very low. This obviously did not help to ensure that the opinions of contractors were proportionally well reflected in the results.

The RPA final report can be downloaded here: <http://rpald.co.uk/reports>

2. Standing Committee on Construction (SCC) – Sub-Group on CPR Review

Following the publication of the above report, during the meeting of the Standing Committee on Construction in September 2015, the Commission identified three issues from the report, which it considered required urgent attention, as follows:

- Reduced CE Marking
- Quality/national marks
- Article 5 and simplified procedures.

A sub-group was set up to further consider the above issues and it met in November 2015. However, although the Commission received input from the Member States and other stakeholders during the meeting, no conclusions were reached. That said, FIEC was asked to consider a common definition of the term “contractor” and following consultation of the Member Federations, TEC-1 subsequently considered this matter in its meeting in November, but concluded – based on the feedback from Member Federations – that a common definition was impossible to achieve, given the differences in national circumstances. Instead, FIEC sent the Commission some examples, to defend the position taken during the meeting (not only by FIEC but also by the Commission) that contractors should be exempt from CE Marking when they are not acting as manufacturers under the CPR (which is most of the time).

3. Joint Position on CPR and Standardisation – Construction Products Europe

As early as April 2015, FIEC and Construction Products Europe (CPE) started discussing their common concerns about the CPR and standardisation and FIEC shared the contents of its evolving draft position on the same subject with CPE. After many months of work and several meetings, during which FIEC Member Federations were kept informed and consulted at each appropriate stage, FIEC and CPE published a joint position in April 2016.

¹ Conference of the Parties – 21st annual session

4. Joint Position on Market Surveillance – Construction Products Europe

As a result of the above, a separate draft joint position on market surveillance was published in April 2016.

II. Counterfeiting of construction products

Following a request from a FIEC Member Federation and in collaboration with ECO, TEC-1 discussed this issue and FIEC subsequently consulted its members, by way of a survey, to establish the extent to which the counterfeiting of construction products is a problem at national level. The issue relates to safety, quality and unfair competition.

A meeting was also held with the Office for Harmonisation in the Internal Market, which amongst other things, monitors certain products to establish the extent of counterfeiting.

This matter will be followed up in 2016.

III. Energy labelling of windows (NB: also a TEC-3 issue)

In 2015, Glass for Europe produced a video, which strongly supported the proposal for an energy label for windows. The video suggested that there would be many benefits for consumers from such an energy label. From a starting position broadly against energy labelling for construction products (see position paper of 15/05/2014 on Ecodesign and Energy Labelling <http://www.fiec.eu/en/fiec-positions/position-papers.aspx>), FIEC reacted by contacting Glass for Europe to express its concerns. FIEC believes that the proposed energy label will never give consumers all the information they require to make a fully informed decision, regarding which window would best suit their needs.

The matter was discussed in a Consultation Forum involving relevant stakeholders with DG Energy of the European Commission in September². At the time of writing, no conclusions have been reached and the matter will be followed up in 2016.

² Consultation Forum under Article 18 of Directive 2009/125/EC on Energy-Related Products.

B) Standardisation Matters

I. Independent Review of the European Standardisation System

Following a substantial study commissioned by DG GROW, Ernst and Young published a report on the European Standardisation System. FIEC welcomed the conclusions and recommendations, which covered the following areas:

- Speed and timeliness
- Support to the competitiveness of European businesses
- Support to EU legislation and policies
- Inclusiveness
- Support to the competitiveness of European business at global level

The full report can be downloaded from: ec.europa.eu/DocsRoom/documents/10444/attachments/2/translations/en/renditions/pdf

The review highlighted some of the concerns shared by FIEC, which published a joint position paper with Construction Products Europe on the CPR and standardisation (see previous section).

II. CEN Technical Committees

Since the last Annual Report, FIEC applied for liaison status on a number of CEN Technical Committees (TCs), as part of its agreement with CEN as a Partner Organisation. These TCs included:

- CEN/TC 434 Electronic Invoicing in Public Procurement (for ECO)
- CEN/TC 135/WG15 Scope of EN 1090
- CEN/TC 442 Building Information Modelling (BIM)
- CEN/TC 440 Project Committee on Electronic Public Procurement

At the time of writing, not all the above have been confirmed.



FIEC General Assembly
(5/6/2015 – Brussels)
Kjetil Tønning, FIEC Vice-
President, presenting the activities
of the TEC Commission

In 2015, FIEC's outstanding application from 2014, for liaison status on CEN/TC 89 – Thermal performance of buildings and building components, was finally approved. At the time of writing, FIEC is still looking for a representative to participate in this Technical Committee.

As part of its ongoing involvement in other CEN/TCs, FIEC continued to be represented in:

- CEN/TC 104 Concrete and related products
- CEN/TC 135 Execution of steel structures and aluminium structures
- CEN/TC 250 Structural Eurocodes
- CEN/TC 292 Characterisation of waste
- CEN/TC 350 Sustainability of construction works

III. Execution Standards

This subject was discussed at length in TEC-1 on several occasions in 2015. Some Member Federations expressed concern that these standards, which cover installation rather than products and which apply to contractors, are a development too far and FIEC should lobby hard against them. Some European execution standards already exist but the Member Federations that are opposed to these argue –amongst other things - that execution is regulated at national level. Other Member Federations believe that execution

standards are inevitable and FIEC should take a pragmatic approach, explaining which standards in particular pose a specific problem, while accepting the development of execution standards overall.

To better understand the potential problems at national level, FIEC conducted a survey early in 2016. The participation in the survey was very low and the results inconclusive. Furthermore, there is no EU- wide definition of “execution standard”.

CEN/TC 250 has established an ad hoc Working Group on the subject and FIEC has been consulted, so is currently following up the matter via this group.

C) Promoting Innovation and Research

I. ECCREDI

FIEC – holding the Vice Presidency of the European Council for Construction Research, Development and Innovation (ECCREDI) – supported the development of a new strategy and a brochure, explaining what ECCREDI does and giving information about its members. The brochure will be published in 2016.

II. Horizon 2020

TEC-2 closely followed the developments in ECTP, E2BA, ReFine and Horizon 2020. In 2015, ECTP, E2B, E2BA, ReFine and the working groups of ECTP merged and became an International Belgian Association “ECTP a.i.s.b.l.”. The new organisation will have five committees, namely Energy, Infrastructure and Mobility, Ageing, Materials and Sustainability and Heritage.

Horizon 2020 will be the subject of an interim evaluation in 2017, the results of which will also inform the development of the next programme.

III. Innovation Forum

The Innovation Forum met in May 2015. The meeting was also attended by two guests from the European Commission, from DG RTD and DG GROW.

IV. Building Information Modelling (BIM)

Early in 2016, FIEC conducted a survey of its Member Federations, to get a snapshot of how BIM is being used in Europe and by whom. The results can be found below.

- Awareness in the industry varies depending on the country
 - There was an even distribution of answers between “Low”, “Medium” and “High”
- In the next two years, the use of BIM will increase modestly
- In the next five years, the use of BIM will increase significantly
- The main barriers to uptake include:
 - Lack of knowledge (main barrier)
 - No demand
 - Too expensive
 - Benefits not clear
- The proposed action from FIEC most frequently requested by Member Federations:
 - Raise awareness
 - Join relevant committees/groups
- At EU level

with measures that cover the whole cycle from production and consumption to waste management and address the market for secondary raw materials.

More information can be found here:
http://ec.europa.eu/environment/circular-economy/index_en.htm

In response to the Action Plan, FIEC published its position in January 2016, broadly welcoming the plan and stressing the need to stimulate demand for secondary raw materials.

FIEC strongly supports the new circular economy action plan and the related documents on waste, including the proposals for amendments to existing legislation. We believe that the construction industry has a key role in making the circular economy a reality and we are ready to engage with the European institutions to ensure that the circular economy is achieved, without a detrimental impact on the economic health of contractors. The circular economy has been presented as an opportunity and FIEC calls on the EU institutions to work with us to turn the opportunity into new jobs and real growth in the EU.

2. Construction and Demolition Waste

In 2015, the European Commission, led by DG GROW and supported by DG ENV, set up a Task Force to support the development of a Protocol on Construction and Demolition Waste (CDW). There are two groups: Task Force 1 deals with technical matters and Task Force 2 deals with policy matters. FIEC has representatives on both.

A workshop will be held in June 2016, to validate the final text of the Protocol, the use of which will be voluntary. Member Federations are being consulted about the text as it evolves, at stages determined by the consultants (Ecorys).

In parallel to the work being undertaken by the Task Force, a technical and economic study has been launched on the subject of pre-demolition audit. The Commission’s intention is that the study will lead to the development of specific tools and/or guidelines for the assessment of construction

D) Circular Economy

I. Circular Economy Action Plan

1. FIEC Position

After the European Commission withdrew the Circular Economy package from its Work Programme for 2015, stating its intention to improve the package before presenting it again, the Circular Economy Action Plan was published in December 2015. Described by the Commission as “ambitious”, the new package includes revised legislative proposals on waste and a programme of action,

and demolition waste streams prior to demolition or renovation of buildings and infrastructure. FIEC was represented at the kick-off meeting in January 2016.

3. Revision of Waste Directives

In its position on the Circular Economy Action Plan, FIEC reacted specifically to the proposals on the Waste Directives.

Waste Directives

Progressive Landfill Restrictions

FIEC accepts the principle that landfilling should be progressively restricted, but stresses that there must be viable alternative means available, to dispose of genuine waste.

Construction and Demolition Waste

FIEC strongly agrees that an unambiguous definition of Construction and Demolition Waste is needed.

FIEC strongly agrees that Member States should promote sorting systems for Construction and Demolition Waste, wood, aggregates, metal, glass and plaster, taking into account technical, economic and environmental conditions.

Definition of backfilling

Backfilling should be specifically mentioned in Annex II of the Waste Framework Directive, which contains a list of recovery operations³. Furthermore, the translations into other EU languages of the definition of backfilling must accurately explain the original meaning, to avoid any confusion.

Common and Comparable Indicators

FIEC strongly agrees that these are essential, for the credible measurement of results.

E) Resource Efficiency

I. Resource Efficiency Opportunities in the Building Sector

1. Stakeholders Group – Macro Objectives

Following the Communication COM (2014) 445 Resource Efficiency Opportunities in the Building Sector, DG ENV set up several stakeholder groups to establish firstly some macro objectives for resource efficiency in buildings and eventually, to work on specific indicators for the voluntary assessment framework, expected in 2017.

As this work evolves, DG ENV is now using the terminology “environmental performance” of buildings.

FIEC was present at one of the meetings of stakeholders in 2015, during which initial discussions were held regarding the macro objectives. The work was subsequently undertaken by the Joint Research Centre and a smaller group of stakeholders and a report was recently published, explaining the six macro objectives that were eventually selected. The report can be found here:

<http://www.fiec.eu/extranet/cust/listfolder.aspx?FoIID=2325>

F) Energy and Climate Change

I. Climate Change: Solutions from the Construction Industry

The end of 2015 was marked in particular by the international negotiations that took place over two weeks at Le Bourget, Paris during COP21, the 21st global Conference of Parties to the United Nations Framework Convention on Climate Change. While world leaders and their teams were busy working out a deal, which included a binding agreement to limit global warming to a maximum of 2°C, FIEC, with the French Member Federations FNTP and FFB, was holding a conference not far away at the premises of FNTP, close to the Champs Elysees. The event was awarded the right to use the official COP21 label by the French government.

3. Directive 2008/98/EC. We suggest the following amendment: R 14 *Backfilling*

Climate Change: Solutions from the Construction Industry brought together politicians, European Commission policy officers, public sector representatives, contractors and FIEC's Member Federations to listen to current thinking on building a low carbon society and hear about examples of practical solutions to climate change that have been implemented by contractors.

As the FIEC President, Johan Willemen, closed the conference, he launched FIEC's 10 proposals to tackle climate change (see press release below).

This document, along with more information about the conference, including the contractors' presentations, can be found on our website: <http://www.fiec.eu/en/library-619/other-publications.aspx>

FIEC supports COP21 goals

10 proposals make up FIEC manifesto for climate change

"Climate change is today's big issue!" points out FIEC President, Mr Johan Willemen as he launches FIEC's manifesto 10 proposals to tackle climate change, this morning in Paris. "We are here to do our bit for this major international summit, to tell the world what the construction industry is able to do, in order to tackle this major, challenging phenomenon" he continues.

Speaking at a press conference following the first half of the international conference "Climate Change : Solutions from the construction industry" – one of the climate change events being held alongside COP21 to be awarded the right to use the official COP21 label by the French government – Mr Willemen explains that as buildings use 40% of all energy consumed in the EU, improving their energy efficiency can contribute to the key COP21 target of a maximum rise of 2°C in global warming, up until 2015.

Promoting the energy efficiency of Europe's built environment is the first of FIEC's ten proposals. Mr Willemen regrets that national governments have not succeeded in achieving the rate of improvement necessary, to reach the EU targets set for energy efficiency. That said, he welcomes the challenge for the construction sector to renovate Europe's energy wasting building stock: "contractors are the group that has the solutions to transform Europe's buildings, many of which are in need of major renovation".

Energy efficiency is not the only solution for climate change mitigation and adaptation. Entire cities need to be climate-proofed, to protect citizens against climate-related disasters in future. FIEC proposes collaboration with city planners and local public authorities to ensure that robust maintenance and construction programmes tackle the climate change challenge head on, anticipating the risks and providing the solutions.

"For years, we have been clearing up, repairing and rebuilding after major floods and other climate related disasters" says Mr Willemen, explaining that construction is an essential industry that is already providing solutions for climate change – some of which were showcased in the conference, co-hosted with the Fédération Nationale des Travaux Publics and the Fédération Française du Bâtiment, this morning.

FIEC's key message to the global leaders gathered in Paris for COP21 : Construction is a high productivity, high technology industry and a major force in the global resources available to tackle climate change. In short: "Construction is the solution industry!"

II. Buildings Day - FIEC joined the Global Alliance for Buildings and Construction

During the first ever "Buildings Day", which took place on 3rd December and which will be a regular feature of COP summits from now on, the FIEC President signed a joint statement, which opens with the text:

In endorsing the formation of a Global Alliance for Buildings and Construction we acknowledge that the buildings and construction sector can contribute significantly to achieving climate goals and the common objective of limiting global warming to below 2°C.

Global ABC was set up by the United Nations Environment Programme as a catalyst to encourage "greater pace and impact of climate action in the buildings and construction sector". In the presence of Morocco's Minister for Housing and Cities, Mr Willemen signed the common statement, along with the President of CICA, the Confederation of International Contractors' Associations, of which FIEC is the European member federation. Morocco is expected to host COP22 in November 2016.

Morning session “Europe : building a low carbon society”

Speakers of the round table (from left to right): Niels Heidtmann (Komproment), Antonio Ramos (ARPHO), Jean-Pierre Levillain (STRRES), Bart Dijk (OKRA), Klaus Kondrup (DG CLIMA), Claude Loréa (CEMBUREAU), Michael Terhorst (SPIE Energy)



Afternoon session “International : connect finance and innovation for a sustainable urban development”

Speakers of the round table (from left to right) : Jean-François Corte (AIPCR – World Road Association), Regis Ortmans (HORIZON Group), Trino Beltran (Bouygues Construction), Annette Esnault Filet (Soletanche Bachy), Dogan Altinbilek (World Water Council), Alex Taylor (moderator)



Conference FIEC-FNTP-FFB-CICA “Climate change : Solutions from the construction industry” (4/12/2015 – Paris)



MEP Claude Turmes – Keynote speaker



Joan Clos, UN Habitat ‘Cooperation between EU and emerging countries to tackle climate change’



MEP Gilles Pargneaux – Keynote speaker

III. Energy Efficiency

1. Energy Efficiency in Buildings

In 2015, FIEC contributed to the public consultation on Financial Support for Energy Efficiency in Buildings.

In 2016, it is expected that the Energy Performance of Buildings Directive (EPBD) will be revised – at least reviewed. In March 2016, FIEC attended a workshop on both the EPBD and the Energy Efficiency Directive (EED), hosted by the Commission. A formal proposal is expected in September 2016.

Some in the wider construction industry are saying that the EPBD should not be revised, but that national implementation should improve significantly. FIEC will probably work on a position paper once more details of the Commission proposal emerge.

IV. Energy Union

In February 2015, the European Commission unveiled its Energy Union Package, which is based on three well-established objectives of EU Energy Policy, namely:

- Security of supply
- Sustainability
- Competitiveness

The aspects of the package that interest TEC are energy efficiency, energy labelling and ecodesign legislation and the retrofitting of existing buildings. In 2016, TEC-3 will follow the specific action planned by the Commission, as follows:

- Strategy to facilitate investment in district heating and cooling
- Review - and where necessary revision - of energy efficiency legislation
- “Smart Financing for Smart Buildings” initiative (with ECO)

V. Proposed Regulation on Energy Label

In November 2015, FIEC published a position paper urging the European Commission to keep construction products out of the scope of the proposed regulation setting a framework for energy efficiency labelling and repealing Directive 2010/30/EU.

This position followed FIEC's involvement in the Consultation Forum hosted by DG Energy in September 2015, on window products specifically; and a FIEC letter to Glass for Europe earlier in the year, raising our concerns about a video, aimed at consumers, which strongly promotes the concept of an energy label for windows. FIEC's view on this video and on the energy labelling of windows is shared by many other relevant industry associations. That said, the story is not over yet and FIEC will continue to follow the developments on energy labelling in 2016.

FIEC strongly recommends that the proposed regulation should be limited to those consumer products, for which an energy label can genuinely help consumers to reduce their energy bills.

In many cases, consumers will not benefit from a label that shows the energy rating of a construction product. In the absence of relevant expertise, consumers risk being misled by an energy rating on a construction product. They may choose a more expensive product, which will not ultimately contribute to energy savings in their building, be it at home or at work.

G) Dangerous Substances

I. ECHA Stakeholder

Late in 2015, FIEC applied to the European Chemicals Agency, to become a member of one of its groups of stakeholders. This application was accepted and TEC-3 will assess in 2016 how useful it is to be part of this group.

Here are just a few examples of what the Technical Commission has delivered over the past year:

Position Papers

FIEC Position Paper – Proposed regulation on energy efficiency labelling (6/11/2015)

FIEC Position Paper – Circular Economy Action Plan (18/1/2016)

Joint Position Paper FIEC/CPE – Construction Products Regulation and Standardisation (22/4/2016)

Joint Position Paper FIEC/CPE – Market Surveillance (22/4/2016)

FIEC also sent the following correspondence, expressing concern:

Email to Glass for Europe on its video promoting an energy label for windows (24/6/2015)

Letter to the acting Head of Unit in the Construction Unit, DG GROW reacting to the final report from RPA on the Construction products Regulation (2/10/2015)

Press Releases

FIEC joins Global Alliance for Buildings and Construction (3/12/2015)

FIEC supports COP21 goals (4/12/2015)

Let's make the circular economy a reality (25/1/2015)

Joint FIEC-CPE press release "Standardisation and market surveillance at risk of going off track" (22/4/2016)

Other

"10 proposals to tackle climate change" (4/12/2015)

Answers to public consultations

FIEC answer to Public Consultation on the Circular Economy (11/8/2015)

FIEC answer to Public Consultation on the Energy Performance of Buildings Directive (28/9/2015)

Own initiative response to EU reports

FIEC proposed amendments to the European Parliament report on resource efficiency: moving towards a circular economy (2014/2208(INI))

FIEC events

TEC-1 webinar on Execution Standards (13/4/2015)

"Climate Change: Solutions from the Construction Industry". Co-hosted with French member federations FNTP and FFB in Paris (4/12/2015)

Participation in public events

"An Investment Plan for Europe" hosted by DG ECFIN (13/1/2015). Kjetil Tønning, TEC President attended, with the FIEC President and Vincent Piron, Vice Chairman of ECO.

Speech by Eric Winnepenninx, TEC-1 Rapporteur at a workshop hosted by Construction Products Europe, on standardisation and the Construction Products Regulation (28/4/2015)

Speech by Johan Willemen at FIEC's conference (above) and press conference (4/12/2015).



EUROPEAN CONSTRUCTION INDUSTRY FEDERATION

European Construction Industry Federation (FIEC) is the "Social Partner" representing employers in the European Sectoral Social Dialogue "Construction". FIEC represents via its 30 National Member Federations in 27 countries (24 EU & EFTA and Turkey) construction enterprises of all sizes, i.e. small and medium - sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities.

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Construction Products Europe (CPE) is an international non-profit making association made up of national and European associations that represent small and medium-size enterprises and world-leading companies. CPE aims to promote the European construction industry, to share information on EU legislation and standardisation and to provide input in all European construction-related initiatives.

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FIEC / CPE - Press release

22.04.2016

Standardisation and market surveillance at risk of going off track

Manufacturers and contractors seek relevant measures from the CPR

Construction Products Europe and the European Construction Industry Federation, the latter representing contractors (micro, small, medium and large enterprises), defend the interests of complementary sectors in the construction value chain. Construction Products Europe members manufacture components that FIEC members install. These two interdependent sectors and the two European associations that represent them have joined forces to point out those aspects of the Construction Products Regulation (CPR) that should be improved for the benefit of both sectors.

Both European industry associations support an open and transparent European standardisation system that involves all concerned parties. They welcome European measures that create a level playing field and ensure that the right product is used in the right circumstances in buildings and infrastructure. Contrary to this, the CPR is influencing the development of standards in a way that neither of these goals is achieved. "Neither CE marking nor the Declaration of Performance tell a contractor whether he has the right product for the job in hand" says Kjetil Tønning, Vice-President of FIEC and President of its Technical Commission. "Merely knowing that the product can be sold in the EU does not guarantee its fitness for the contractually agreed purpose for every construction project. For this reason, the CPR and CE marking have proved to be totally irrelevant to contractors in practice".

Harmonised European standards should allow users to obtain information they need to select the right product in terms of technical characteristics and performance. Construction Products Europe President Heimo Scheuch states "Although the CPR has been an important catalyst for the development of European product standards, it has strongly influenced the standardisation process for construction products and we would like to see a more flexible system that allows manufacturers to provide additional voluntary information, such as that which is required by our customers the contractors and other users".

Interpretation not consistent

In spite of the fact that the legal instrument governing the placing of construction products on the market is a regulation, with direct effect in the Member States, both EU associations are concerned that the actual implementation is not consistent and there appears to be wide interpretation of the CPR. Furthermore, although welcome in principle, the European Commission's guidance, in the form of Frequently Asked Questions, amongst other things, has an unclear legal status and is exacerbating the confusion. To make matters worse, the surveillance authorities in the Member States lack resources and are unable to meet the demands of their tasks.

Our joint positions on the CPR and Standardisation on the one hand and Market Surveillance on the other can be found on the organisations' websites (see above).

SMALL AND MEDIUM-SIZED ENTERPRISES (SME'S)

Frank Dupré, DE
The SME-Envoy

Ulrich Paetzold, FIEC
Rapporteur



A) Micro, small, medium-sized and large enterprises: A full representativeness

The European construction industry is, overwhelmingly made up of craftsmen, SMEs and family-owned businesses. This reality is also reflected in the membership of FIEC's member federations. This broad membership base ensures FIEC's comprehensive representativeness within the European construction industry, i.e. enterprises executing all kind of building and civil engineering specialities, whether operating as main contractors or as sub-contractors.

Without any discrimination, FIEC represents the interests of construction enterprises of all sizes:

- craftsmen, builders and micro enterprises
- small and medium-sized enterprises
- larger and very large companies

These enterprises may be family owned or capital stock companies, they may be family run or managed externally, but they are all construction firms and, as such, they have much more in common than they have conflicting interests.

The unmatched strength of FIEC's initiatives and positions are rooted in the fact that they are based on the views and experience of such a wide variety of enterprises from so many countries.

In addition to this permanent general consideration given to the interests of SMEs in each individual issue addressed by FIEC commissions, sub-commissions and working groups, FIEC created, in 2002, a specific Vice-Presidency for SME issues under the title of "SME Envoy".

The FIEC SME Envoy double-checks - in each and every case - that FIEC position papers and initiatives adequately take into account the interests of SMEs and family owned businesses.

B) Full involvement of SMEs in the sectoral social dialogue

The FIEC/ EFBWW construction social dialogue committee is generally recognized as a sectoral social dialogue committee, in which SMEs participate actively and without any discrimination.

FIEC's encompassing representativeness was also re-confirmed by the latest "representativeness study" done by Eurofound for the European Commission. According to this study, 56.1% of all employees/ workers in the construction industry are employed by enterprises affiliated to FIEC member federations. This is by far the highest rate of all organisations checked on employers' side.

This comprehensive representativeness ensures the full respect of SME interests in the work of the sectoral social dialogue committee and its specialised working groups. FIEC and its Social Partner EFBWW, are very committed to this fully representative, strong, successful and autonomous Sectoral Social Dialogue which they commenced many years prior to it becoming institutionalised by the European Commission.

C) Enterprise Europe Network (EEN)

The EU Commission, DG ENTR, set up this network on the basis of previous experience with the two networks, Euro Info-Centre (EIC) und Innovation Relay Centre (IRC). According to their website, "helping small companies make the most of the

business opportunities in the European Union is the Enterprise Europe Network's mission". EEN is composed of close to 600 member organisations offering a broad range of free services, for example in the areas of helping to find international business partners, source new technologies, receive EU funding or finance and advice on issues so diverse as intellectual property, going international, or EU law and standards.

As with the Euro-Info-Centre network, FIEC has been accepted by the European Commission as an "Associate Member" of EEN. This means that FIEC does not provide any of the EEN's services directly to those seeking advice, but provides the EEN's full members with sectoral advice/ information and cooperate in joint events, training sessions or projects.

For more information, please go to the specific website <http://een.ec.europa.eu/>

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The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/ or an annual balance sheet total not exceeding 43 million euro.”

Commission Communication - Model declaration on the information relating to the qualification of an enterprise (SME, OJEC, C118, p. 5 -15, of 20/5/2003)

	micro	small	medium	large
workers/ employees (incl. owner/ manager, excl. apprentices) and ...	1-9	10-49	50-249	(250 +)
(either) annual turnover up to x million €	2	10	50	(50+)
(or) annual balance sheet up to x million €	2	10	43	(43+)

THE EURO-MEDITERRANEAN PARTNERSHIP (MEDA)

Guillermo Aparicio, ES

President
(-12/2015)

Maria Angeles Asenjo, ES
Rapporteur



FIEC continued over the last year with its task of informing member federations about key aspects of the EU Institutions' activity with regard to Mediterranean partner countries.

Conflicts, terrorism and rising extremism, refugee flows, protection of human rights and other challenges to international law are the centre of concern of the EU institutions and have resulted in fundamental areas of action to deal with the current situation.

Despite this, it is worth noting that on 18th November 2015 the European Commission and the High Representative for Foreign Affairs and Security Policy presented a Joint Communication about a **review of the European Neighbourhood Policy (ENP)**. The ENP was set up by the EU in 2004 with the objective of supporting and fostering stability, security and prosperity in the countries closest to its borders. Radical changes have happened in a large number of countries over the past twelve years. Although through the ENP there have been some positive developments, latest and current events have led to the need for a new approach, a re-prioritisation and an introduction of new ways of working. The Communication points out that differentiation will be the hallmark of the new ENP, recognising that not all neighbours aspire to EU rules and standards, and reflecting the wishes of each country concerning the nature and focus of its partnership with the EU. A public consultation regarding the review of the ENP was carried out in 2015 and this Communication shows the results of it, highlighting the main points of consensus from the consultation's responses and tackling different dimensions.

In order to inform FIEC members throughout the year, the **bulletin MEDA newsletter** has been regularly published, containing relevant and updated information mainly from the **European Commission**, the **Council of the European Union**, the **European Investment Bank (EIB)** -in particular the Facility for Euro-Mediterranean Investment and Partnership (FEMIP)-, the **European Economic and Social Committee** and the **Union for the Mediterranean**.

Regarding EIB-FEMIP activity in 2015, initial data show a total of € 1.4 billion loans signed for 12 operations and almost € 750 million distributed during the year. This EIB activity by country was as follows: Egypt (61%), Tunisia (14%), Israel (9.9%), Jordan (8.2%) and Morocco (6.3%); by sector: energy (53%), transport (24.7%), SME financing (12.3%) and water, sewerage and solid waste (8.7%).

As usual, MEDA newsletters are available on the FIEC website for member federations.

WORKING GROUP “HOUSING”

Martin Lemke, BFW
Chairman (-12/2015)

Marie-Lorraine Bareth,
Belgian Construction Confederation
(temporary rapporteur)



The Working Group “Housing” deals with the topic of financing of energy efficiency in buildings, as well as issues related to the housing market in general, in particular in the framework of the “European Housing Forum”.

FIEC in the European Housing Forum

The “European Housing Forum” (EHF), partner of the “European Parliament URBAN Intergroup”, is a discussion platform on European policy topics influencing the housing market. For FIEC, EHF is a key partner to represent its interests in the property sector more intensively. EHF Members include, amongst other, representative associations of tenants, social housing, developers, real-estate professions and contractors. Being co-chair of the European Housing Forum along with UIPI and UEPC is an honour for FIEC and allows to actively contribute to the discussions on housing issues, especially in close contact with the EU institutions.

The last meeting of the European Housing Forum, which took place in February 2016, mainly revolved around a presentation of the Pact of Amsterdam by Judit Torokne, Head of Unit for Inclusive Growth, Urban and Territorial Development at DG REGIO. The Pact of Amsterdam, which shall be signed by the end of May 2016 will give an operational framework to the Partnership between the Commission, Member States, Cities, NGOs and experts on EU Urban Policy. The Action Plan is expected to last three years and

to create better legislation, better funding and better sharing of knowledge on twelve priority themes, including jobs and skills in the local economy, urban poverty, housing, circular economy, climate adaptation, energy transition and urban mobility.

The EHF will address this Action Plan and the follow-up actions in its next meetings, in order to ensure that the voice of the European housing sector be heard in these processes.

More information on the EHF website:
<http://www.europeanhousingforum.eu>

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FIEC is co-chair of the EHF, together with UIPI and UEPC. This combination of complementary experience and know-how ensures the efficient continuation of the European Housing Forum work.”

EUROPEAN INTERNATIONAL CONTRACTORS (EIC)



Philippe Dessoy, BE
President



Frank Kehlenbach, EIC
Director

European International Contractors (EIC) represents the international interests of the European construction industry vis-à-vis European policy makers and international financial institutions. Its full members are construction federations from 15 European countries which have internationally active member firms.

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A) Organisation

EIC was founded in 1970 and has been registered since 1984 as a legally independent business association under German law in Berlin. Its mandate is to promote the interests of the European construction industry in relation to its international business activities. To this end, the federation maintains close relations with all European, international and other important organisations with policies relevant for the international construction business, including the European Commission (EC), the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the OECD, the World Bank as well as other relevant non-governmental organisations, such as FIDIC or CoST, the Construction Industry Transparency Initiative.

At the end of 2015, the composition of the EIC Board was as follows:

- President Philippe Dessoy (BESIX, Belgium)
- Vice President George Demetriou (J&P Avax, Greece)
- Treasurer Per Nielsen (NCC, Sweden)
- Guillermo Aparicio Torres (FCC, Spain)
- Jesper Arkil (Arkil Holding, Denmark)
- Duccio Astaldi (Conditte d'Acqua, Italy)
- Selim Bora (Summa Group, Turkey)
- Juha Kostiainen (YIT, Finland)
- António Mota (Mota-Engil, Portugal)
- Karl-Heinz Müller (Strabag International, Germany)
- Christophe Pélissié du Rausas (VINCI Concessions, France)
- Wouter Rimmelts (BAM International, Netherlands)
- Karl-Heinz Strauss (PORR, Austria)

President Philippe Dessoy also represents EIC as a Vice-President on the FIEC Steering Committee.

B) Mission & Priorities

EIC is the only industry association representing the interests of internationally active European contractors in the policy making process led by the EU institutions and involving other international organisations and financing institutions and society at large.

EIC advocates fair international competition and balanced contract conditions, quality-based procurement and innovative project delivery schemes as well as sustainable construction methods.

EIC fosters new business opportunities for European contractors by promoting a closer collaboration between development and commercial financiers and by promoting Public-Private Partnerships internationally.

EIC provides a unique forum for networking and sharing experience regarding all matters relating to the international construction business.

Within the broad range of operating conditions influencing the work of European international contractors, the following topics had the highest priority for EIC in 2015:

I. FIDIC Standard Forms of Contract

For more than 40 years, EIC's Working Group Contract Conditions has been reviewing and commenting on the FIDIC standard forms of contract. The work of the group has been condensed into several high-quality publications known as the EIC Contractor's Guides, which not only provide its membership with a quick overview on the potential risks and pitfalls of the FIDIC forms but also influence the debate on fair and balanced contract conditions in general.

The group's current focus is on the envisaged updates of the FIDIC 1999 suite of contracts, expected to be published in 2016. EIC started its "friendly review" of the update of the FIDIC 1999 "Yellow Book" in October 2015. As a matter of principle, EIC calls upon FIDIC to abstain from realigning the risk profile, which was increased already with the FIDIC 1999 suite of contracts and subsequent forms, to the further detriment of the contractor.

EIC further calls upon FIDIC to continue with its time-honoured tradition, whereby the FIDIC standard forms of contract take the form of a "manual of good engineering practice prepared by engineers for practical use". Given that the FIDIC 1999 "Yellow Book" is widely accepted in the market, EIC recommends that FIDIC concentrates its drafting work on closing existing loopholes and amending those passages that require improvement or correction in line with FIDIC users' experience rather than embarking upon an extensive rewrite of the current edition.

Members of the EIC Working Group Contract Conditions are also in the process of discussing the draft of the planned new FIDIC/ITA standard form of contract for Underground Works with the respective Task Group. EIC agrees with the current conceptual approach that the employer be obliged to provide a preliminary design that is detailed enough to allow the contractor to prepare a tender design and to calculate a tender price. EIC requests that the employer be asked to describe the scope of the works by means of measures that the contractor shall undertake to perform the works and in the case that additional measures become necessary, the contract provides for a mechanism to agree on additional cost and time.

II. Abnormally Low Tenders

Over the past years, the issue of Abnormally Low Tender (ALT) prices of works contracts has become a major concern for the Multilateral Development Banks (MDB) and their borrowers under public sector projects. To address this, the MDBs have agreed that a special MDB Working Group, co-ordinated by the European Bank for Reconstruction and Development (EBRD), be tasked with the identification of potential solutions to this issue.

The EBRD invited EIC's feedback on possible practices to define and reject ALT. Due to the fact that there is currently no commonly accepted definition of what constitutes an ALT or a framework to detect such tenders in practice, EIC summarised its perspective in a Position Paper in February 2015 which was largely endorsed by CICA and, with minor qualifications, also by FIDIC.

EIC supports the approach that, if the lowest tender price transpires to be substantially below the second price ranked tender, the MDB procurement rules should oblige its borrowers to investigate such a

low bid and reject it, in case it is proven to be an ALT. Whereas EIC agrees with the MDB assumption that all tenders below a defined threshold need to be checked in regard to their ALT risk when they are considered for a contract award, we call upon the MDBs to abandon the current option for Borrowers to increase the Performance Security in case of a suspected ALT, once a reliable and practical mechanism to deal with an ALT is in place.

III. World Bank Procurement Framework

Since 2012 the World Bank is undergoing the first comprehensive review of its procurement system. In July 2015, the World Bank's Board of Executive Directors approved a new policy governing procurement in projects financed by the Bank which shall be implemented in 2016.

EIC participated actively in the various rounds of consultations and called upon the Bank to ensure that International Competitive Bidding (ICB) remains a mandatory procurement arrangement for high-value investments, with appropriate Bank oversight. For large and complex infrastructure projects, EIC advocated the maintenance of the Bank's "golden standard" of procurement documents and practices.

At the end of the process, EIC's lobbying impact on the final version of the New Procurement Framework was visible in the following rules: the Standard Procurement Documents remained in place for International Competitive Bidding, the use of the "Most Economically Advantageous Tender" became acceptable also in the context of works contracts, the option of Sustainable Procurement was introduced on a voluntary basis, Alternative Procurement Arrangements were admissible on a case-by-case basis only after a rigid evaluation process, contract-related complaints will be considered by the Bank and contract management support will be targeted on significant high-risk and high-value contracts.

IV. Design Build and Operate Schemes

The European Commission is currently studying the possibility of expanding the procurement options under the PRAG to Design-Build and Operate (DBO) schemes in order to maximise the impact and value added of EC funds earmarked for EU external actions. A study commissioned by the

Directorate-General for International Cooperation and Development (DG DEVCO) has established that there are significant advantages of Design-Build and Operate contracts, when compared to conventional design-bid-build approach, for instance concerning the delivery of more sustainable long-term assets, the enhancement of quality and efficiency of end-user services, technology transfer to the developing country, better risk control and best value-for-money procurement.

EIC supports a paradigm shift towards DBO schemes, which could lead to more efficient project management and deliver more value-for-money for the EU itself, its partner countries and the companies involved in infrastructure delivery. EIC recommends awarding the project on the basis of the "economically most advantageous tender" to be established by using a "two-envelope system" which guarantees that the technical proposals are evaluated first with the effect that the technical solutions that are most attractive to the Contracting Authority can be selected without any bias from the knowledge of the price of that solution.

EIC's Working Group "Africa" submitted its comments at various stages of the EU study and the EU Commission concurs with EIC's call for a balanced risk allocation also under Design-Build and Operate schemes. In particular, the Commission has assured EIC that it does not intend to deviate from the conventional risk allocation as laid down in the present version of the General Conditions for Works Contracts financed by the EDF. The European Commission is presently preparing two pilot projects in Africa to be tendered with bespoke amendments of the existing General Conditions for re-measurable works contracts.

V. EU Blending 2.0

The group also followed-up on its proposal for a revised blending instrument that advocates the blending of EU grants and European soft loans for so-called "non-commercially viable" public sector infrastructure projects in Africa ("Blending 1.0") with commercial bank financing covered by European export credit insurance capacity ("Blending 2.0").

EIC's concept "Blending 2.0" suggests that eligible development finance institutions syndicate a certain tranche of the loan amongst commercial banks to the extent that such funds can be guaranteed by comprehensive insurance cover from export

credit agencies (ECAs). This model could catalyse additional private sector finance for typical public sector infrastructure projects that do not generate sufficient direct project income but are critical for the social and economic development of the country.

In September 2015 EIC President Dessoy met EU Development Commissioner Neven Mimica in Brussels, to present the EIC concept for a revised Blending Mechanism. Commissioner Mimica emphasised the importance of catalysing additional resources from the private sector in order for the global development community to deliver on its far-reaching post-2015 Development Agenda. He was interested in the EIC concept and invited EIC to present it at a meeting of the EU Platform for Blending in External Cooperation (EUBEC).

In October 2015, EIC presented its proposal for a "Blending 2.0" concept at a meeting of the Technical Group on Private Sector Participation of the EU Platform for Blending in External Cooperation (EUBEC) in Brussels. The EIC proposition was supported by the European export credit agencies from Belgium (Delcredere/Ducroire) and from Denmark (EKF). The European Banking Federation (EBF) added that the EIC concept would improve the competitive situation for European exporters, in particular in Africa, where their non-OECD competitors had easier access to subsidised financing. EUBEC members referred to the "Lake Turkana Wind Power Project" as a recent example of a close collaboration between DFIs and ECAs and encouraged European international contractors to pro-actively approach the European development finance institutions with their project ideas at an early stage.

VI. Corporate Responsibility (CR)

EIC fully supports the efforts of International Organisations and International Financing Institutions to agree on a robust set of environmental, ethical and social standards which would be instrumental in satisfying the expectations of all stakeholders in international construction projects and in creating a level playing field for all internationally active contractors.

Since 2011, EIC officially endorses the Construction Sector Transparency Initiative (CoST) which aims at increasing the transparency and accountability for publicly financed infrastructure worldwide. EIC is currently participating in the

strategic review process of the Construction Sector Transparency Initiative (CoST) which explores how the CoST initiative can increase its impact to support communities worldwide.

In 2015, EIC organised a Workshop on "Connecting Partners - Supply Chain Responsibility in International Construction Projects" in connection with its autumn 2015 conference in Rotterdam with the objective of identifying strategies for European international contractors to respond to the challenges arising from CR requirements. As a result of this Workshop, the EIC Board decided to launch a new Working Group on "Corporate Responsibility" in order to highlight the performance of European companies in applying CR standards in their international operations. Bearing in mind the new Sustainable Procurement option incorporated in the World Bank's New Procurement Framework, the Working Group will also prepare technical advice to clients seeking to incorporate sustainable procurement criteria into their tenders.

C) EIC Statistics

In October 2015, EIC released its annual International Contracts Statistics with the help of its Member Federations. The statistics, which list international turnover and new contracts, give an in-depth view of how the market is developing for European contractors and is more accurate than other comparable statistics as it incorporates companies' international construction business rather than their entire group turnover.

International turnover of European contractors affiliated to EIC's Member Federations remained at a high level in 2014, rising to more than €165.6 billion, up 2% compared with 2013. EIC Member Federations from 13 European countries reported figures for 173 internationally active contractors for 2014.

In addition, EIC comprised an analysis of the development policies of the European countries represented in the EIC network (including UK). The EIC analysis on Official Development Assistance (ODA) supports Member Federations with their lobbying activities on a national level. It shows that most countries are far from reaching the international agreement to raise their ODA to 0.7% of the donors' national income.

On the basis of the latest available OECD data on ODA for the year 2014, the majority of EIC Member

countries distributed more than 60% of their ODA bilaterally. Only Italy and Spain allocated more than 50% of their ODA to multilateral organisations. According to the analysis most European countries invest less than one fifth of their bilateral ODA in infrastructure projects with the two major donors France and Germany being the only exceptions. France spent 36% and Germany spent 41% of national ODA on infrastructure in 2014.

D) EIC Conferences

Twice a year, in spring and autumn, representatives of all Member Federations are invited to gather for the EIC General Assemblies which are followed by a Workshop. These Workshops are either topic-related and highlight particular framework conditions important for all European international contractors, such as export credit insurance, guarantees or the influence of IT on construction, or they examine the present situation in the construction market of a specific region. At these occasions, expertise is brought into the discussion from outside the

industry by engaging high-level speakers from various institutions to contribute to the discussion. The conferences are traditionally attended by senior international managers from leading European contractors as well as related industries.

On 16-17 April 2015, Italian Member Federation ANCE hosted the EIC conference in Florence with a workshop on World Market Opportunities for European Contractors.

The autumn conference on 8-9- October 2015 was hosted by EIC's Dutch Member Federation NABU in Rotterdam with a workshop on Connecting Partners – Supply Chain Responsibility in International Construction Projects.

For joint FIEC/EIC activities please refer to page 20.

To sign up for the monthly EIC Newsletter and further information on EIC activities, conferences and members, visit the EIC website: eic-federation.eu



EIC publications



EIC Turnkey Contract, 1994



EIC Contractor's Guide to the FIDIC Conditions of Contract for Construction, 2002



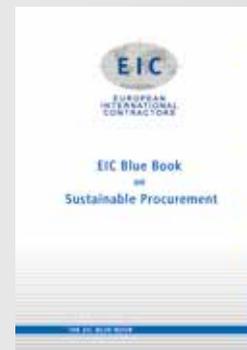
EIC White Book on BOT/PPP, 2003



EIC Contractor's Guide to the FIDIC Conditions of Contract for Plant and Design-Build, 2003



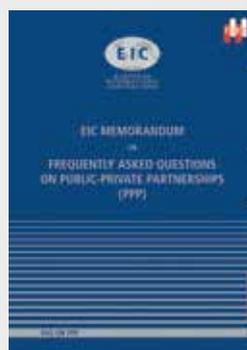
EIC Contractor's Guide to the FIDIC Conditions of Contract for EPC Turnkey Projects, 2003



EIC Blue Book on Sustainable Procurement, 2004



Contractor's Guide to the FIDIC Conditions of Contract for Design, Build and Operate Projects, 2009



EIC/FIEC Memorandum on Frequently Asked Questions on Public-Private Partnerships (PPP), 2006



EIC Contractor's Guide to the MDB Harmonised Edition of the FIDIC Conditions of Contract for Construction (June 2010), "The Pink Book Guide", 2011

CONFEDERATION OF INTERNATIONAL CONTRACTORS' ASSOCIATIONS (CICA)



Emre Aykar
CICA President



Roger Fiszelson
Director General

A) CICA Events

I. Meetings with the World Bank

CICA organises meetings with the World Bank every two years in Washington DC. The next meetings will take place on 19th and 20th May, 2016. CICA has planned meetings with World Bank Vice Presidents, Executive Directors as well as representatives from Operations, from the International Finance Corporation (IFC) and from the Multilateral Investment Guarantees Agency (MIGA).

The main topics to be discussed are the following:

- Feedback from the Bank regarding the implementation of the recently adopted reform of its Procurement Policy;
- The insertion of Environment, Security, Health and Hygiene clauses in Bank-financed contracts;
- Technical and managerial professional training for local workers on the occasion of Bank-financed contracts;
- Facilitating the access to Bank-financed

contracts for local companies. Supporting the financing of preliminary studies, cash flow needs and access to bonds

- Development of the capacity of LIDC's professional organisations, contributing to more transparency and ethical behaviour.

II. United Nations Economic Commission for Europe (UNECE)

CICA participated in the PPP International Forum organised by the UNECE in Geneva on 30th March, 31st and 1st April 2016 on "Implementing the United Nations 2030 Agenda for Sustainable Development through effective, people-first Public-Private Partnerships".

CICA contributed with a presentation on anti-corruption in PPP Procurement, given by the International Centre of Excellence for Concessions and PPP as well as the presentation of the Blending proposition supported by the Working Group Africa of the European International Contractors.

III. International Chamber of Commerce (ICC)

CICA participates regularly in the activities of the French Committee of ICC and in the Paris meetings of some ICC international commissions:

- Commercial law and practice;
- Corporate responsibility and anti-corruption;
- Intellectual property;
- Commission on Environment and Energy.

IV. OECD-Investment Security in the Mediterranean (ISMED)

CICA contributes to the work done by the working group on fostering infrastructure investment in the Middle East & North Africa (MENA) region". The working group is addressing the issue of how to facilitate the decision-making process of the private sector with a view to investing in infrastructure projects in the MENA region, including those done by PPP. Discussions are focusing in particular on ways to expand the use of existing guarantees and risk sharing mechanisms.

Four Task Forces are dealing with the following topics:

- I Risk mitigation instruments;
- II Developing arbitration in the Mediterranean;
- III Risk mitigation in PPP;
- IV Islamic finance.

CICA is the team leader of Task Force III.

CICA is contributing to a simplified vade mecum on the conception, realisation, exploitation and maintenance for PPPs.

V. Dispute Resolution Board Foundation (DRBF)

CICA liaises with the Dispute Resolution Board Foundation to organise events on Dispute Avoidance

and Alternative Dispute Resolution – Techniques in International Construction and Infrastructure Projects.

VI. Board - Council Meeting in Washington D.C.

CICA will organise its Spring Board meeting in Washington on the 20th May 2016. Meetings with United States Congressmen and Senators are also organised.

VII. CHINCA 7th III&CF

Macao, 2nd and 3rd June 2016

Following a request from CHINCA, CICA will participate in the 7th International Infrastructure Investment and Construction Forum in Macao in June, 2016. CICA will co-host the roundtable of Presidents of Contractors' Associations. The topics to be dealt with are still under discussion with CHINCA.

B) CICA Working Groups

I. Public-Private Partnerships Working Group

The working group on PPP is managed by Fernando LAGO (Argentinian federation of construction and representative from FIIC) and Vincent PIRON, (former Head of Strategy and Investments at Vinci Concessions).

This working group mainly focuses on reflections, organisation and animation of the "International Specialist Centre of Excellence for Concessions and PPP Policy, Laws and Institutions", the creation of which CICA contributed to, together with the French Institute of International Legal Experts (IFEJI), under the aegis of the United Nations Economic Commission for Europe (UNECE). This Centre, actively promoted by CICA, was launched on the 21st May 2015 in Paris.

The Centre has a dual function: collection, analysis and proposals of texts and best practice within the framework of the Knowledge Centre, on the one hand, and capacity building actions for the staff of the administrations of emerging and developing countries (as well as multilateral development banks' staff for



CICA and CBIC
International Meeting
on Infrastructure and
PPPs, 28/4/2015
- Brasília

example) through a Training Centre, on the other hand. An association of multidisciplinary, highly qualified and fully independent experts, ETIC-PPP, was created under the presidency of Vincent Piron to gather the various skills required, allowing a comprehensive coverage of the various disciplines (legal, contractual, economic, financial, technical, managerial...) contributing to the successful completion of resilient Concessions and other PPP projects.

This process is only part of the project of creating regional hubs of the Centre to take into consideration the economic, financial, legal and cultural conditions of the various geographical zones. The aim is also to attract long-term investments (insurance, private equity, private pension funds etc.) to finance infrastructure projects.

II. Procurement Working Group

Since 2005, CICA, together with the European International Contractors (EIC) and the International Federation of Consulting Engineers (FIDIC), has been a partner in the successive consultative working groups set up by the World Bank in the context of its Procurement Reform.

CICA regularly attended meetings of the International Advisory Group on Procurement (IAGP).

With respect to the World Bank Procurement Reform, the construction sector, represented by CICA, EIC and FIDIC, is particularly interested in the following aspects:

- Capacity-Building;
- Institutional Strengthening;
- Value for Money decision-making;
- Sustainable Procurement;
- International Competitive Bidding;

- Integrity and fight against corruption;
- Multilateral Development Banks' fiduciary mission and supervision;
- Prevention and resolution of disputes.

CICA organises meetings and roundtables to discuss the Procurement procedures of the World Bank and participates in external meetings on this topic. Together with the EIC and in cooperation with FIDIC, position papers are written to address the concerns of the construction sector in this regard.

CICA also participates in the consultation groups set up by other Multilateral Development Banks such as the African Development Bank (AfDB), the European Bank for Reconstruction and Development (EBRD) etc., for their Procurement Reform and other procedures.

III. Well Prepared Project (WPP) Working Group

This working group is managed by Michel Demarre, Director General SEFI, Vice-president Europe and International Commission of FNTP and EIC Past President.

The absence of a pipeline of infrastructure projects in developing and emerging countries and too many projects that fail are due to the lack of adequate preparation of the projects. In order to remedy this situation, CICA has been working on the good preparation of projects since 2004 and proposes to implement the concept of "Well Prepared Project" that was introduced in November 2009 at the World Bank's Heads of Procurement meeting in Thessaloniki and in the 2011 G20 final declaration.

Work will continue with the Permanent International Association of Road Congresses (PIARC) and FIDIC. A position was presented in the name of

CICA at the World Road Association Congress in Seoul in November 2015 on "How can good road project preparation help curb down corruption".

CICA actively participated in the preparatory work for the creation of the International Infrastructure Support System (IISS) and participated in its launch in Washington D.C. on 27th January. IISS is a ground-breaking digital platform pioneered by the Asian Development Bank and now led by the Sustainable Infrastructure Foundation, headquartered in Geneva. This platform is supported by the main MDBs (World Bank, Asian Development Bank, Inter-American Development Bank, African Development Bank, European Bank for Reconstruction and Development) and two DFIs (BNDES, Brazil and DBSA, South Africa) and will contribute to delivering some upstream information about a country's pipeline of projects. It offers an interactive tool for interested contractors to obtain many details on technical, legal, financial, economic, environmental & social and governance aspects of the projects.

IV. Infrastructure Long Term Financing Working group

The interest for such a working group was confirmed at the CICA Board-Council meeting in Brasilia on the 27th April 2015. It was also confirmed by the interest generated by the roundtable on "Long-term financing market and its sources" organised during the International Meeting on Infrastructure and PPP hosted by CBIC, following the Board meeting in Brasilia.

Indeed, if it is unanimously recognised that the creation, refurbishment and maintenance of public services infrastructure are essential to the establishment of a prosperous economy, the conditions to reach them are still very insufficiently satisfied. The absence of public capacity of financing is frequently mentioned as the main reason to explain these deficiencies. The recourse to the techniques of Project Finance/PFI is presented as being the solution. However useful it is, this approach is totally insufficient to answer the immense global need for infrastructure by 2030. The aim of this working group is to take into consideration the increasing recognition of the contribution of infrastructure to development, economic growth and employment.

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CICA participates in the consultation groups set up by the World Bank and other Multilateral Development Banks such as the African Development Bank (AfDB), the European Bank for Reconstruction and Development (EBRD) etc., for their Procurement Reform and other procedures.”

CICA also organised roundtables in the margins of its Board meeting in Paris on 16th and 17th November to:

- discuss how to better identify factors that explain the withdrawal of commercial banks from the financing of infrastructure projects, in particular due to prudential rules such as Basel III and CRD IV;
- explain the weak participation of long-term investors in infrastructure projects, notably due to the Solvency II regulation. CICA is developing a study to better take into consideration the future fiscal revenues generated by the new infrastructure.

What's new on www.cica.net?

CICA entirely revamped its website and created a Linked In Corporate Page. CICA regularly posts summaries of studies that can be of interest to Contractors.

V. CICA approved the membership of a new Friend: Frayland Construction

Frayland is a Dubai-based market leading construction, development and interior design company and has been established in the Middle East for 30 years. Frayland specialises in luxury design and builds real estate projects in both the residential and commercial sector and has also been at the forefront of leisure developments and associated projects in Dubai.

Website: <http://www.frayland.com/>



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EUROPEAN CONSTRUCTION FORUM (ECF)

Michail Daktylidis, GR
Vice-President in charge of
ECF matters

Ulrich Paetzold, FIEC
Rapporteur



A) What is the European Construction Forum (ECF)?

The ECF is a platform for cooperation on issues of common interest between independent organisations representing key players in the construction sector and participating on a voluntary basis.

B) What are the aims of ECF?

The principal aim of the ECF is the establishment and recognition of a single comprehensive policy approach for the European construction sector through raising the awareness of decision makers at European level of the specific issues affecting the sector as a whole. To this end, the participating organisations strive to arrive at consensual views on issues of common interest.

This should lead over time to:

- greater involvement of the construction sector in the preparation of all EU legislative acts, programmes and actions that have a bearing on the sector.
- a more coherent and coordinated approach by the European institutions towards the sector. ECF will develop specific actions on the basis of this Manifesto and the EU agenda.

C) The New European Commission

Some time ago ECF had asked for a “Construction Commissioner”, in order to ensure that there was better coordination between the various DGs and their activities concerning our sector.

Consequently, our expectations in the new Commission structure with coordinating Vice-Presidents, clusters of Commissioners and re-organised services were very high. With a good year of practical experience we are grateful for the visible efforts to achieve better coordination of EC actions concerning the construction sector and we will certainly offer our contributions from practical experience, in order to facilitate continuous further improvement in practice.

Building Prosperity for the Future of Europe – A Manifesto for Action from the European Construction Forum (revised version 28/1/2013)

This Manifesto was presented to the EU High Level Forum “Competitiveness Communication” on 29/1/2013 on behalf of the ECF participants by FIEC Vice-President Paolo Astaldi and has not lost its importance for the on-going work, now called “construction 2020” (see page 16)

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What the construction sector can offer	Decisions EU policymakers should take
<p>Economic growth and jobs creation</p> <ul style="list-style-type: none"> ▶ Benefits to the economy as a whole through the multiplier effect thanks to the sector’s large share of EU GDP ▶ Well designed, sustainable buildings and infrastructure essential for Europe’s future growth ▶ Green jobs based on a comprehensive understanding of techniques and materials fully embracing a culture of health and safety ▶ Identification and anticipation of the skills needs of workers in order to guide policy 	<p>Integrated policy framework</p> <ul style="list-style-type: none"> ▶ Provide a long-term, coordinated, and stable regulatory framework to ensure competitive sustainable growth ▶ Implement policies based on impact assessments that put the three pillars of sustainability at the same level ▶ Support renovation and new innovative, efficient solutions in buildings and infrastructure, leading to cost-effective nearly-zero energy new and existing buildings ▶ Prioritise upgrading of infrastructure, including smart grids for energy distribution and sustainable transport networks ▶ Adopt a whole life-cycle assessment approach to buildings ▶ Invest in training, education and skills for workers, going beyond information and best practice exchange
<p>Commitment to innovation</p> <ul style="list-style-type: none"> ▶ Strong commitment to innovation in daily business practice ▶ Support for increased R & D through pro-active participation in EU research programmes and industry platforms ▶ Identification of technological gaps along the construction value chain in response to the Commission’s drive for innovation 	<p>Boost investment in research and innovation</p> <ul style="list-style-type: none"> ▶ Take full account of the strategic role of the construction sector in the proposed Horizon 2020 budget ▶ Endorse the use of Structural and Cohesion Funds to leverage investments in efficient buildings and infrastructure ▶ Support effective technology transfer
<p>Care for the environment</p> <ul style="list-style-type: none"> ▶ Improvements in resource use and energy efficiency ▶ Contribution to energy and transport infrastructure 	<p>Drive coherent environmental policy</p> <ul style="list-style-type: none"> ▶ Ensure coherence and integration between environmental policy and industrial growth policies ▶ Strong focus on upgrading buildings’ energy and environmental performance ▶ Set appropriate frameworks for recycling and waste-management

What the construction sector can offer	Decisions EU policymakers should take
<p>Responding to social needs</p> <ul style="list-style-type: none"> ▶ Engagement towards a quality and safe built environment, adapted to demographic and social challenges ▶ Solutions for affordable housing ▶ Resilient construction for adaptation to climate change. 	<p>Develop a sustainable housing policy</p> <ul style="list-style-type: none"> ▶ Design planning and permit systems that facilitate new development (EU should benchmark different regional planning systems) ▶ Facilitate access to credit for investment in affordable housing ▶ Allow for measured and proportionate fiscal incentives for construction and renovation of dwellings.

The construction sector calls upon the European Commission, European Parliament and the Member States to coordinate efforts at all levels of government in order to implement coherent and balanced policies and legislation based on a level playing field between public and private actors as well as between the EU and third countries.

More specifically, European and national policy makers should ensure coherence between their policy decisions and consequent investment decisions, even if this requires punctual exemptions from stability pact principles.



ECF will develop specific actions on the basis of this Manifesto and the EU agenda.

website: www.ecf.be



COMMUNICATION

Ricardo Gomes, PT
Vice-president in charge of
Communication



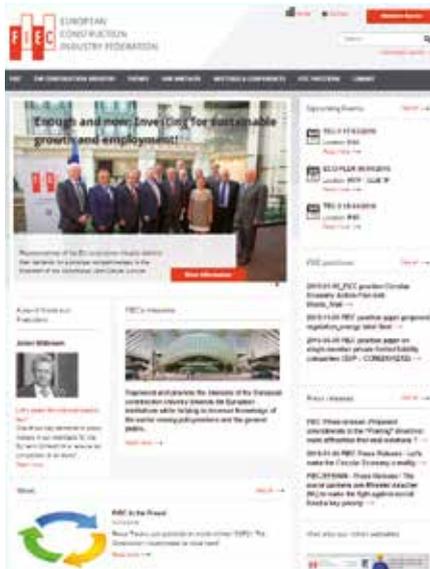
www.fiec.eu

- The public website presents FIEC activities and the concerns of the European construction industry. It is aimed at an external audience and contains thematic issues, news and positions papers
- The “members only” part has protected access and contains the communication tool connecting FIEC and its Member Federations.

FIEC Periodical Publications

- **Construction Activity in Europe** (1/year)
FIEC publishes a document giving information about construction activity in Europe. Each country is analysed individually and Europe as a whole under the following headings:
 - general economic overview (general economic situation, general economic policy, government policies in relation to the construction industry)
 - overall construction activity (including employment)
 - new housebuilding
 - rehabilitation and maintenance of residential buildings
 - non-residential building
 - civil engineering and construction abroad.

The data are given over a period of 5 to 10 years. Forecasts are made for up to 1 year.





▪ **Annual Report (1/year)**

This document constitutes a complete survey of the FIEC issues and positions between two General Assemblies.

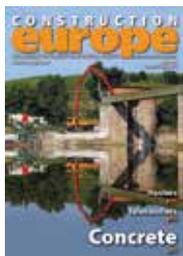
▪ **Construction in Europe – Key Figures (1/year)**

This publication, in practical pocket format, provides the reader with a brief survey of the essential key figures of construction activity in Europe and in the world as well as a brief presentation of FIEC and the sector.



▪ **Article in Construction Europe (10/year)**

For many years FIEC has worked together with the magazine “Construction Europe”, publishing a monthly article on EU currents affairs.



FIEC Occasional Publications



▪ **10 Proposals to tackle Climate Change - Solutions from the Construction Industry**

Construction is a high productivity, high technology industry and a major force in the global resources available to tackle climate change. FIEC proposes collaboration with city planners and local public authorities to ensure that robust maintenance and construction programmes tackle the climate change challenge head on, anticipating the risks and providing the solutions. “Construction is the solution industry!”



▪ **FIEC manifesto for action - EU term 2014-2019**

The FIEC Manifesto defines 10 areas for action, which play a key role in establishing an adequate framework for ensuring that the construction sector can actually be the efficient lever for growth and jobs in all parts of the EU industry, in a sustainable and future-oriented way.



Construction in Europe: 100 years of FIEC (2005)



The FIEC Principles for Sustainability (2005) including the CSR Principles



FIEC/EIC Statement on Corruption Prevention in the Construction Industry (2009)

All these publications and further information can be obtained from the FIEC office in Brussels.

For EIC publications, please refer to p. 63

FIEC representatives in conferences and debates (selection)

Economic and Legal items

Conference 'Public Procurement: Global Revolution VII' - University of Nottingham

Nottingham, UK (15-16/6/2015)
"Practical Issues in the Operation of the EU Reforms - Construction Industry Perspectives" presentation (EN) by Ulrich Paetzold, FIEC Director General

The French decennial liability of European builders: assessment and prospects

Brussels, BE (23/9/2015)
Conference organised by the FFSA (Fédération Française des Sociétés d'Assurances)
Participation of Ulrich Paetzold, FIEC Director General

"Investment Plan for Europe - European Fund for Strategic Investment (EFSI)", Workshop organised by DG ECFIN (Economic and Financial Affairs)

Brussels, BE (1/10/2015)
Participation of Vincent Piron, Vice-Chairman of the FIEC Working Group "Infrastructure & Financing"

"Cohesion policy and financing opportunities for urban development in 2nd tier cities", Workshop organised by DG GROW/ REGIO

Brussels, BE (13/10/2015)
The point of view of contractors.
Presentation by Daniel Boscarri, Vice-Chairman of the FIEC Working Group "Infrastructure & Financing"

Social items

Meeting of Ministers in charge of Vocational Education and Training, European Social Partners and European Commission

Riga, LT (22/6/2015)
Panel discussion "Expectations from companies, business organisations and social partners and next steps for EAFa" (European Alliance for Apprenticeships), Participation in panel discussion of Ulrich Paetzold, FIEC Director General

EESC (European Economic and Social Committee) & CoR (Committee of the Regions) Conference "Freeing Europe safely from asbestos"

Brussels, BE (24/6/2015)
Participation in panel discussion of Ms. Cristina Garcia Herguedas, Director of Health and Safety at FCC Construcción (ES), Chairwoman of the Health and Safety sub-commission of FIEC

"Working conditions of tomorrow" - Conference organized by the Grand Duchy of Luxembourg during the Presidency of the EU Council

Mondorf-les-Bains, LU (11/9/2015)
Round Table "Acting for fair working conditions in the construction sector"
Presentation of the joint position FIEC/ EFBWW by Maxime Verhagen, FIEC Vice-President, Chairman of the FIEC Social Commission

Work mobility workshop of Eurociett (European Confederation of Private Employment Services)

Brussels, BE (15/9/2015)
"Activities and experience linked to the Posting of workers"
Presentation by Domenico Campogrande, Director Social Affairs

European Education, Training and Youth Forum 2015 - New priorities, Forum organised by DG EAC (Education and Culture)

Brussels, BE (19-20/10/2015)
Initiatives for Youth Employment in the construction industry
Presentation (EN) by Domenico Campogrande, Director Social Affairs

EFBWW General Assembly

Warsaw, PL (26/11/2015)
Presentation by Ulrich Paetzold, FIEC Director General

FIEC/ EFBWW meeting with Dutch Minister for Social Affairs, Mr. Asscher on the issue "Fight against Social Fraud"

The Hague, NL (9/12/2015)
Participation of Maxime Verhagen, FIEC Vice-President, Chairman of the Social Commission - Ulrich Paetzold, FIEC Director General and Domenico Campogrande, Director Social Affairs (see also press release on FIEC Website www.fiec.eu)

Conference "Promoting Decent Work", organised by the Dutch Ministry for Social Affairs & Employment

Amsterdam, NL (8-9/2/2016)
Labour mobility and posting within the EU - Panel discussion with social partners
Participation in Panel discussion of Maxime Verhagen, FIEC Vice-President, Chairman of the Social Commission

Technical and Environmental items

Meeting at EFTA (European Free Trade Association) with a delegation from Norway - the sector board of Standards

Brussels, BE (29/10/2015)
FIEC and EU lobbying, main Standardisation issues
Presentation (EN) by Sue Arundale, Director Technical Affairs

"Towards a Global Alliance for Buildings and Construction" - Buildings Days at COP21

Paris, FR (3/12/2015)
Signing ceremony with Johan Willemen, FIEC President and Emre Aykar, CICA President & FIEC Vice-President

Meeting organized by our Belgian member federation Confédération Construction

Presentation of the FIEC publication: "10 proposals to tackle Climate Change"
Brussels, BE (9/12/2015)
Presentation (EN) by Johan Willemen, FIEC President

Conference "COP 21 : what's next?" organised by the EP Intergroup Long Term Investment

Brussels (European Parliament), BE (16/2/2016)
Debate "Financing the transition towards a lower carbon economy"
Participation as Panelist of Kjetil Tønning, FIEC Vice-President, Chairman of the Technical Commission

Round table "Integrating Sustainability in property valuation" (Renovale projet)

Brussels (European Parliament), BE (26/1/2016)
Participation of Ulrich Paetzold, FIEC Director General

European and FIEC items

Board meeting of the German (ZDB) regional federation of Niedersachsen (Baugewerbe-Verband Niedersachsen)

Brussels, BE (1/10/2015)
Defense of the interests of the construction sector at European level
Presentation (DE) by Ulrich Paetzold, FIEC Director General

Meeting with a delegation of representatives from the French Member Federation FNTP

Brussels, BE (14/10/2015)
Presentation (FR) of FIEC structure, main activities, EU lobbying, by Ulrich Paetzold, FIEC Director General and Christine Le Forestier, Director Economic and Legal Affairs

European event organised by the German (ZDB) regional federation of Hessen (Verband baugewerblicher Unternehmer Hessen)

Frankfurt, DE (16/11/2015)
"Construction 2020: European Strategy for a sustainable competitiveness of the European Construction sector"
Presentation (DE) by Ulrich Paetzold, FIEC Director General

"State aid and tied aid" - Conference of EuDA (European Dredging Association)

Brussels, BE (17/11/2015)
Examples of threats in Europe (market access of 3rd countries)
Presentation (EN) by Ulrich Paetzold, FIEC Director General

Conference "Polish Infrastructure - VIIth Edition"

Warsaw, PL (23/2/2016)
"Infrastructure procurement in Poland - a view from the outside"
Presentation (EN) by Ulrich Paetzold, FIEC Director General

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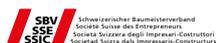
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(-12/2015)

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Design inextremis.be

Original : English

Translation French and German DSDB Brussels

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COMPETITIVENESS
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 CLIMATE CHANGE
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 ENERGY PRODUCTION
STANDARDISATION
 INFRASTRUCTURE
 INNOVATION



EUROPEAN CONSTRUCTION
 INDUSTRY FEDERATION



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