

ANNUAL REPORT 2022

Building the change



EUROPEAN CONSTRUCTION
INDUSTRY FEDERATION



Including reports of



27

countries*

€ 1,602

billion EU27 Total construction in 2021

3

million
enterprises

13

million workers

32

Member
Federations*

47.7%

of Gross Fixed
Capital Formation

11.1%

of EU27 GDP

6.6%

of EU27 total
employment

95%

of EU27
enterprises
with less than
20 workers
(SMEs)

*Updated 2023

29.8%

of industrial
employment

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FIEC ACTIONS IN FIGURES

for the reference period of this brochure



More than **2.800**
followers on
SOCIAL MEDIA



62 MEETINGS with
EU representatives &
key stakeholders
and **42** related to
Social Dialogue



at least **52**
HEADLINES in news
stories and press articles



**12 POSITION
PAPERS**



More than **50**
NEWSLETTERS

FIEC PARTNERSHIP



- Social Partner in the European Sectoral Social Dialogue of the Construction Industry together with EFBWW (European Federation of Building and Woodworkers) - ec.europa.eu/social



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



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



- "Construction 2050 Alliance" with the main EU stakeholders of the construction sector - www.euconstruction2050.eu



- 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



- Member of the European Construction, built environment and energy efficient building Technology Platform - www.ectp.org



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ONLINE**
www.fiec-ar.eu

FOREWORD



PHILIP CRAMPTON, IE
President 2022-2024

"FIEC commits to foster political action and cooperation at EU level and continues standing out as the main voice of the construction industry toward the institutions, its stakeholders, and other international organisations active in the sector."

This brief version of our 2022 Annual Report provides an overview on the key policies, projects and figures of the *European Construction Industry Federation (FIEC)*.

Its pages present the milestones we completed over the period of one year, from November 2021 to October 2022. You will also get introduced to some of the organisations and people we partnered with, those who helped us to achieve our mission.

The timeline covered by this publication is marked by two main events:

The first is the post-Covid pandemic season with its reopening and resumption of all our activities. We have learnt a lot during this period, and we should use this now in the best possible way, in order to ensure a prompt and effective recovery.

The second ongoing issue is the war in Ukraine. Our industry is suffering from increases in prices of raw materials, products and energy, as well as disruptions to supply chains. Many clients have postponed or suspended their investments, causing delays in project deliveries. This could have serious consequences for the achievement of the main objectives of the Recovery Plans and of the EU Green Deal.

Nevertheless, we remain optimistic in the light of the medium and longer-term, as the environmental and digital transitions are providing huge opportunities for construction companies. FIEC keeps on following dossiers and talks that shape our markets and guide our sector. It is the case of the revision of the Construction Products Regulation, the Directive on Due Diligence, EU Taxonomy on Sustainable Finance, and the recast of the Directive on Energy Performance of Buildings.

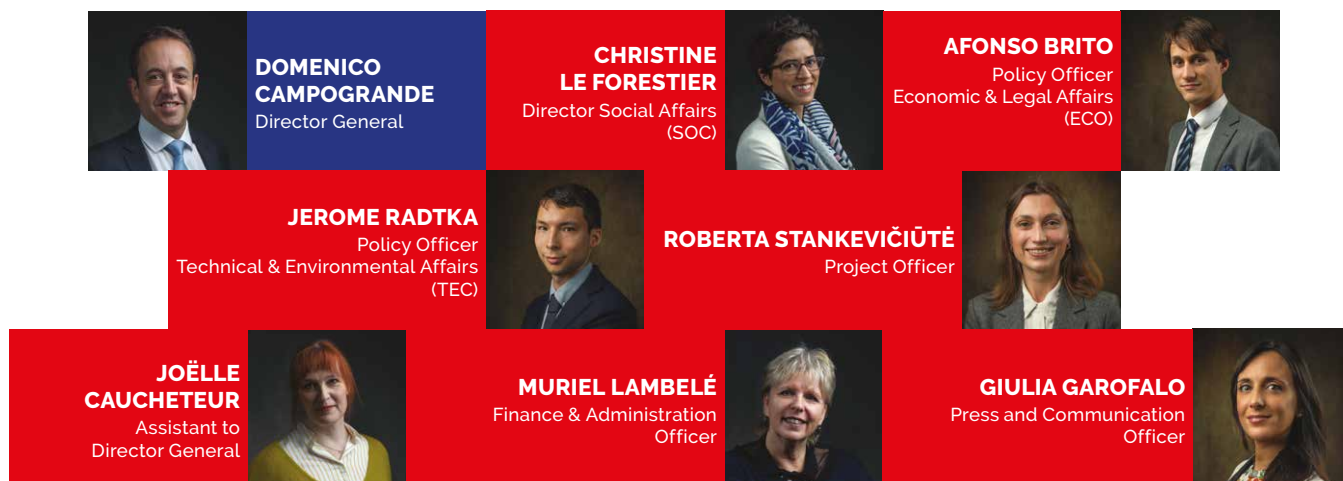
All our companies need workers with the right skills and competencies. We consider the urgent need to improve the image of our sector to attract new talents. Starting – for example - from young people and women, as well as to further invest in education and training. We remain at the forefront to represent employers in the Sectoral Social Dialogue.

Enjoy reading the report, scan its QR-codes, download opinions and factsheets, watch our videos and share FIEC highlights on the Social Media platforms!

FIEC STEERING COMMITTEE 2022 - 2024



FIEC TEAM



MILESTONES 2021 - 2022

Discover some of our highlights over the period from November 2021 until October 2022. For further details on a specific topic, and to view all Milestones, explore FIEC Annual Report online via the QR code.



- Webinar on **"Making the business case for green construction - Which future for house building?"** (23/11/2021).
- **General Assembly** (hybrid) with MEP **Manfred Weber** as keynote speaker. The event gathered contractors and representatives from the countries of FIEC member federations (25/11/2021).

NOVEMBER 2021



Webinar *"Making the business case for green construction - Which future for house building?"*

- On 09/12/2021, FIEC joined the **BIM SPEED Industry Day** hybrid event where some key project deliverables were presented to the stakeholders. In the same month, the project held its General Assembly (16-17/12/2021).
- Press Release on the proposal for a **recast of the EPBD**, the Energy Performance of Buildings Directive (21/12/2021).

DECEMBER 2021



MEP Manfred Weber at FIEC General Assembly (November 2021).



- FIEC speaks at the European Parliament hearing on **Foreign Subsidies** hosted by the EPP group and rapporteur MEP Christophe Hansen (13/01/2022).
- EU-funded project **Respirable Crystalline Silica Dust** managed by FIEC and EFBW/W: publication of research paper and mapping (15/01/2022).
- Release of Position Paper on the **Fit for 55** package (20/01/2022).

JANUARY 2022

Pact for Skills in Construction



- At the "EU Industry Days 2022", Christine Le Forestier, FIEC Director for Social Affairs, presented the **Pact for Skills in Construction** mobilising investments and commitment to improve quality construction skills - Press Release (08/02/2022).



- FIEC joined the **EU Healthy Workplaces** campaign "Lighten the Load" launched by OSHA to tackle the issue of MSDs (musculo-skeletal disorders) for construction workers. A thematic workshop was organised by FIEC & EFBW/W in the framework of the DESOCO EU-funded project (09/02/2022).
- Release of the Position Paper on the revision of the **Trans-European Transport Network (TEN-T) guidelines** (21.02.2022).

FEBRUARY 2022



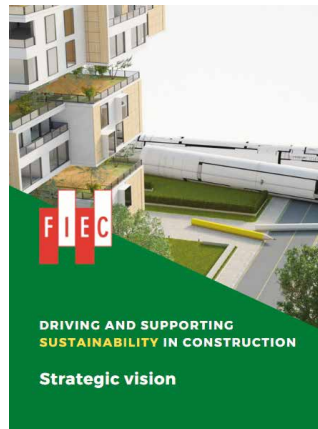
- Position Paper on asbestos following the European Commission's call for evidence on reducing workers exposure to **asbestos**. FIEC favoured the non-legislative option, amongst those proposed in the EU consultation document (22/03/2022).
- **Construction 2050 Alliance** online event on "Sustainable access to primary & secondary raw materials" (24/03/2022).

MARCH 2022



- FIEC-EIC-CICA **Joint Statement** on **Ukraine** following FIEC's support and solidarity expressed for Ukraine and its Ukrainian member federation, CBU (05/04/2022).
- At the EU **High Level Construction Forum** hosted by the European Commission, FIEC Vice-President, Lubomir Kachamakov, illustrated challenges and trends of the **Renovation Wave** and the EU Green Deal with a focus on **sustainability** and the resilience of the construction ecosystem (06/04/2022).
- **DG GROW** Director General, Kerstin Jorna (European Commission), virtually met the **Directors of FIEC's** member federations to discuss the impact of the **War in Ukraine** on price increases, the **supply chain** disruptions severely hindering construction activities (26/04/2022).

APRIL 2022



- FIEC Conference & General Assembly in Limassol (Cyprus). **Philip Crampton** (Irish) was elected as new President together with a **new Steering Committee** (11-13/05/2022).
- As part of the activities of the *Working Group Sustainability*, FIEC released a new publication on its "*Sustainability Strategic Vision*" presenting conditions to effectively implement the **sustainability principles** along with key goals for integrating and improving them in business models (05/05/2022).



MAY 2022



Handshake of former FIEC President Thomas Bauer and Philip Crampton, new President elected at the General Assembly held in Cyprus (May 2022).

- FIEC President, Philip Crampton, intervened as guest speaker at the "**Bridge Safety and Maintenance in Europe**" conference held in Brussels (03/06/2022).
- The 2022 edition of **FIEC Statistical Report** was published with latest data, figures and trends showing resilience of the European construction sector (29/06/2022).



JUNE 2022



FIEC Statistical Report 2022 on construction activity in Europe.



Rome, EIC Conference 2022. Scouting mission to the work site of Metro C of Roma Capitale.

- FIEC and EFBWW participated in the first construction thematic Workshop organised by the **European Labour Authority** – ELA (05/07/2022).

- Kick-off meeting of the FIEC-EIC **Task Force "Ukraine"** chaired by FIEC Honorary President Kjetil Tønning. As first of a series of actions, FIEC had previously released a statement to express its support to the Ukrainian people and the Ukrainian member federation CBU (08/07/2022).

- Joint FIEC & EIC Position Paper on proposed EU Directive on **Corporate Sustainability Due Diligence**

- Exchange with MEP Christian Doleschal (EPP), rapporteur of the European Parliament on the revision of the **Construction Products Regulation** (30/08/2022).



- Position Paper on the **re-vision** of the **Construction Products Regulation** (CPR). FIEC called for reliable and user-friendly rules (07/09/2022).

- Launch of EU-funded project **TANSIRC 2** - "Towards A New Start of Industrial Relations in Construction in Central and East European Countries" (08/09/2022).

- The **Platform on Sustainable Finance** held its 26th and last plenary meeting. FIEC thanked its representative, Pekka Vuorinen, for his hard work during his mandate (12/10/2022).

- FIEC President, Philip Crampton, participated in the **"Recovering Forum Ukraine"** hosted in Kyiv by the FIEC Ukrainian member federation, CBU (19/10/2022).

■ JULY 2022

■ AUGUST 2022

■ SEPTEMBER 2022

■ OCTOBER 2022

ECONOMIC & LEGAL COMMISSION (ECO)



Rüdiger Otto, DE
President



Dominique Bouillot, FR
Chairman
Working Group
"Infrastructure Financing"



Christian Tridon, FR
Chairman
Working Group
"Structural
Maintenance"



Vincent Piron, FR
Vice-Chairman
Working Group
"Infrastructure &
Financing"



Hans de Koning, NL
Chairman
Working Group "Public
Procurement"



Afonso Brito, FIEC
Policy Officer
Economic & Legal
Affairs (ECO)

Modernisation and maintenance of infrastructure

The EU has one of the densest transport infrastructure networks in the world, but its transport network is far from complete. A large part of it is now ageing and coming under increasing pressure due to a rise in traffic. The maintenance deficit has led to the deterioration of transport infrastructure as demonstrated by the collapse or frequent closure of bridges or as observed in the poor state of some road surfaces.

The TEN-T Regulation is a core instrument, at EU level, to influence the infrastructure policies in the Member States. After recognising a need to modernise the EU's transport system, the European Commission adopted new transport-related proposals in December 2021, among which the revision of the guidelines for the trans-European transport network. The TEN-T revision aims at addressing the missing links in the TEN-T network and upgrading it.

Why is FIEC dealing with this topic

The regular maintenance of existing infrastructure is necessary to ensure quality of Europe's transport network. In addition to increasing the safety of users, a well maintained and modern transport network leads to various environmental benefits. It also contributes to a more circular economy (reducing raw material consumption and generation of waste) and to a decrease of CO2 emissions.

FIEC has closely followed the TEN-T revision. Key provisions from our perspective refer to the maintenance of the network's infrastructure and the deployment of innovative infrastructure. Thanks to FIEC's intense activity and exchange with decision-makers over the past years, the European Commission has considered strengthening the approach to ensure higher quality of TEN-T infrastructure and its maintenance, including the structural stability of critical assets such as bridges and tunnels.

As essential connecting points in Europe's transport network, the malfunction of bridges attracts particular attention. For this reason, FIEC set up the ECO Working Group "*Structural Maintenance*" with focus on issues generated by the lack of maintenance of bridges and the initiatives aimed at tackling them.

Actions and key dates

01/2021	Successful lobbying on the European Parliament's own-initiative report
03/05/2021	Contribution to European Commission's public consultation on revision of TEN-T guidelines
14/12/2021	Proposal for the revision of the TEN-T regulation
21/02/2022	FIEC Position Paper on the Commission's proposal for the revised TEN-T
20/04/2022	FIEC sets up a new ECO Working Group on "Structural maintenance" (bridges)
03/06/2022	FIEC chairs "Bridge Maintenance & Safety in Europe" Conference in Brussels
28/06/2022	Participation in panel discussion in Connecting Europe Days 2022

Energy & raw material prices Supply chain disruptions

The Covid-19 pandemic caused significant disruptions to the global supply chains, with several contractors experiencing delays in the delivery of products. The ongoing war in Ukraine has further strained the supply of certain raw materials (e.g., steel) in Europe. Price increases for construction materials are being observed across all EU Member States.

At the same time, a sharp hike in energy prices has also been monitored across the EU since 2021. Several factors have contributed to this rise, such as the unprecedented surge of gas prices on the global markets, the higher demand for liquefied natural gas, or Russia's unilateral decision to stop gas supplies to several EU countries. Energy-intensive industries including steel, concrete and cement tend to pass impact of higher prices to contractors.

Why is FIEC dealing with this topic

Several contractors in Europe experience serious difficulties due to the rising prices and supply shortages for energy and certain construction materials. A risk not to fulfil contractual obligations is therefore very high for many businesses.

Sustained high energy and raw material costs have a negative impact on production levels, potentially slowing down construction works. In the field of public procurement, many companies refrain from participating in new tenders. In several Member States, price increases are not sufficiently considered in the contracts, and clients continue to enforce completion deadlines.

FIEC has repeatedly been raising awareness on the impact of supply chain disruptions and price increases for contractors across Europe. It has also called for measures to be taken at the national and EU-level to mitigate adverse impacts on the sector, especially in the field of public procurement. Public contracts should be adapted accordingly and should include adequate price revision mechanisms for ongoing contracts and adjustment clauses to the completion deadlines.

Actions and key dates

15/12/2021	Gas package (including proposal for a recast Energy Performance of Buildings Directive) presented by the Commission
11/04/2022	FIEC addresses European Commission in a letter, requesting the suspension of steel safeguard measures
06/2022 – 07/2022	FIEC develops a price index for construction materials (used by DG GROW)
18/05/2022	REPowerEU package presented by the European Commission
14/09/2022	Emergency measures to tackle rising energy prices (Council Regulation)
18/10/2022	Additional emergency measures to tackle high energy prices announced by the European Commission

Foreign Subsidies in the Single Market

In May 2021, the European Commission published a proposal for the Regulation on Distortive Foreign Subsidies in the EU Single Market aimed at tackling the distortive effects of foreign subsidies. The proposal will also fill a legislative gap as there is no EU instrument to control subsidies granted by third countries.

Once the Regulation is adopted, the European Commission will have the power to investigate financial contributions granted by public authorities of a non-EU country that benefit companies engaging in an economic activity in the EU and redress their distortive effects, as relevant. The Regulation proposes the introduction of 3 tools (2 notification-based tool and a general market investigation tool). This includes a notification-based tool to investigate bids in public procurements involving a financial contribution by a non-EU government, where the estimated value of the procurement is € 250 million or more.

is important to look at the possibilities and actions proposed by the Regulation, i.e. the actions that potentially help restore a level playing field in the EU Single Market.

Actions and key dates

05/05/2021	European Commission issues Proposal for a Regulation on Distortive Foreign Subsidies
25/05/2021	Launch of interactive map Third country state-owned enterprises in the European procurement market
24/09/2021	FIEC-EIC key messages and joint amendments (later updated together with EuDA)
04/05/2022	Council and European Parliament agree their negotiating position on the Commission's proposal
11/2022	Adoption expected

Why is FIEC dealing with this topic

FIEC handles this dossier in cooperation with the *European International Contractors* (EIC) and the *European Dredging Association* (EuDA). Efforts are now focused on providing the European Commission with information substantiating a reasonable suspicion of foreign subsidies in a particular market segment, justifying a market investigation (under Art. 34).

Over the latest years, an increasing number of public infrastructure projects have been awarded to third country State-owned enterprises (SOEs), particularly from China, submitting extremely low prices against which private European companies cannot compete. A pattern of distortive subsidies is suspected in these cases. As such, it



For further details on ECO actions and key dates, visit www.fiec-ar.eu

SOCIAL AFFAIRS COMMISSION (SOC)



Joël Schons, LU
President (until May 2022)



Maxime Verhagen, NL
President
(since May 2022)



Angela Martina, IT
Chairwoman, Sub-Commission SOC-1
"Vocational Training"



Cristina García Herguedas, ES
Chairwoman, Sub-Commission SOC-2
"Health and Safety"



Michel Gili, FR
Chairman, Sub-Commission SOC-3
"Employment"

Christine Le Forestier
Director Social Affairs
(SOC)

European Labour Authority (ELA)

The Regulation (EU) 2019/1149 of 20 June 2019 establishes the *European Labour Authority* (ELA). The key aims of the ELA are the following: improving access to information by individuals and employers about their rights and obligations in the areas of labour mobility and social security coordination; strengthening operational cooperation between authorities in the cross-border enforcement of relevant EU law, including facilitating joint inspections; providing mediation and facilitating solutions in cases of disputes between national authorities.

FIEC is member of the ELA *Stakeholders' Group*, which has an advisory role to the Management Board. In addition, there are other Working Groups, e.g. on improving information from public authorities to companies and workers, on joint inspections and on mediation. In 2021, important stand-alone bodies dealing with mobility-related issues (i.e., the Committee of Experts on Posting of the European Commission and the EU *Platform against Undeclared Work*) have been incorporated into the ELA. FIEC takes active part to these activities.

Why FIEC is dealing with this topic

Mobility within the Single Market is a priority issue for construction companies. It can also become a source of fraudulent practices, due to the difficulties in carrying out controls and the lack of coordination between public authorities. This affects genuine companies and the possibility for them to act on a level playing field. Genuine companies also suffer from the lack of or the difficult access to relevant information.

It is therefore of crucial importance that FIEC has secured its presence in this new Authority (namely in the *Stakeholders' Group*).

16/10/2019

Official launch of ELA

Spring 2021

Committee of Experts on Posting and EU Platform against Undeclared Work are incorporated into the ELA

13/12/2021

FIEC and EFBWW send joint complaint letter on the dilution of the former EC expert group on posting into the ELA

05/07/2022

ELA organises workshop on construction sector, with FIEC and EFBWW

11/10/2022

FIEC participates in 6th meeting of the Stakeholders' Group

2023

ELA will dedicate specific activities and a campaign to the construction sector

Revision of the "Asbestos at Work" Directive (2009/148/EC)

Good occupational safety and health, including protection of workers from exposure to carcinogens, is top priority for the European Commission, considering that improved protection of workers exposed to asbestos will be important within the green transition (and the *Renovation Wave*), which is at the heart of the EU agenda.

Occupational exposure limit values (OEL) on asbestos play an important role in the renovation of buildings. The current binding OEL for asbestos is 0.1 fibres/cm³ as an 8-hour time-weighted average (TWA). The European Commission advises that the existing OEL should be amended in order to take account of the most recent knowledge, scientific development and technical progress. This is why, in a proposal published in September 2022, the European Commission suggests lowering the existing OEL by 10 times, to 0.01 fibres/cm³. In its Communication, the European Commission proposes a series of complementary measures to be implemented (e.g., mandatory screening of buildings, better waste treatment, guidance, financial support and an awareness-raising campaign).

In parallel, the European Parliament had contributed to this issue, with a legislative own-initiative report by MEP Nikolaj Villumsen (Left-DK). Amongst the various recommendations, the European Parliament namely advocated for a drastic lowering of the OEL for asbestos to 0.001 fibres/cm³.

Why FIEC is dealing with this topic

Asbestos is a key occupational carcinogenic agent which has been used worldwide for decades in the building

industry. Although, in the EU, this substance is no longer in general use, there is a substantial legacy problem due to its presence in many older buildings that are likely to be renovated, adapted or demolished over the coming years. This poses a potential risk that construction workers will be exposed to asbestos, and that must be carried out in a controlled way by suitably trained workers and under the proper supervision of their employers.

The topic is tackled not only in terms of EU action on prevention and the protection of workers, but also as it voices the EU-wide need to improve the thermal insulation of the built environment and enable energy savings, in line with the *Renovation Wave*, and as part of the EU Green Deal. However, most EU Member States have already implemented strict measures in this field. FIEC expressed concerns that a further lowering of the OEL at EU level will become unrealistic for construction companies to comply with.

Actions and key dates

11/02/2021

FIEC contribution to the European Commission's social partners' consultation (1st phase) on the protection of workers from risks related to exposure to asbestos at work

20/09/2021

FIEC contribution to the European Commission's social partners' consultation (2nd phase)

27/09/2021

Adoption of Villumsen report in the EMPL Committee of the European Parliament

22/10/2021

Joint Press Release: "FIEC and EBC call for realistic occupational exposure limit on asbestos and strong accompanying measures"

28/03/2022

FIEC contribution to the EC call for evidence on protecting workers exposure to asbestos

28/09/2022

Revision proposal by the European Commission

EU Skills agenda – Pact for Skills in Construction

In 2020, the European Commission presented an update EU Skills Agenda, building on the previous 2016 Agenda. The document sets new ambitious quantitative objectives for upskilling (improving existing skills) and reskilling (training in new skills) people over the next 5 years.

The agenda is focused on 3 principles and develops around 12 actions: the first is the set-up of sectoral *Pact for Skills*. The construction sector – FIEC and its partners - are onboard. The aim is to bring together stakeholders, including social partners, which share the objective of up- and reskilling the workforce to enable the green and digital transition. Stakeholders are requested to sign a Charter presenting key principles to fulfil the set objectives within their organisations, as well as across their value chain.

Why FIEC is dealing with this topic

Issues such as the lack of skilled workforce, skills gaps and skills mismatches in the construction sector are crucial for FIEC. The availability of skilled construction workers contributes to the success of the EU Green Deal's *Renovation Wave*, as well as to the overall digital transition of the construction industry.

The "*Pact for Skills in Construction*" was conceived by FIEC, together with the EFBWW, and in cooperation with EBC (*European Builders Confederation*). Based on the joint experience of the co-signatories, the Pact was endorsed by several organisations. In February 2022, during the *EU Industry Days*, the *Pact for Skills in Construction* was officially launched.

FIEC, EFBWW and EBC keep on monitoring the implementation of this initiative (i.e., collecting the

commitments of stakeholders who decided to join) in view of reporting on the outcomes to the European Commission.

FIEC is involved in these topics in many ways, and committed to strengthen the social dialogue, together with EFBWW. FIEC is also partner of the "*Construction Blueprint for a Sectorial Skills Strategy*" (Erasmus+ project ending in March 2023) to define the new skills needs in the fields of energy efficiency, circular economy and digitalisation.

Actions and key dates

01/07/2020

European Commission presents the update EU Skills Agenda

10/11/2020

Official launch of the Pact for Skills (with several sectors involved)

27/11/2020

FIEC (VP Schons and VP Petrucco) participates in meeting with Commissioners Breton (Internal Market and Industry) and Schmit (Employment and Social affairs) on a Pact for Skills in construction

February 2022

Official launch of the "Pact for Skills in Construction", prepared by FIEC, EFBWW and EBC, at the occasion of the EU Industry Days 2022

Ongoing

Collection of commitments from interested stakeholders in construction sector

Ongoing

European Commission develops series of activities to boost the sectoral "Large Scale Pacts".



For further details on SOC actions and key dates, visit www.fiec-ar.eu

TECHNICAL AND ENVIRONMENTAL COMMISSION (TEC)



José Michaël Chenu, FR
President
Technical Affairs



Carin Stoeckmann, SE
President
Environmental Affairs
(Since May 2022)



Thiebault Clément, FR
Chairman, Sub-Commission TEC-2
"Research, development and innovation"



Stefanos Pierides, CY
Chairman, Sub-Commission TEC-3
"Environment"



Jérôme Radtka
Policy Officer Technical & Environmental Affairs (TEC)
(Since May 2022)

Energy Performance of Buildings Directive (EPBD) & Renovation Wave

The *Energy Performance of Buildings Directive* (EPBD) is the EU's main legislative instrument promoting the improvement of the energy performance of buildings in the 27 Member States. It is currently being revised with the aim to substantially reduce greenhouse gas emissions and final energy consumption in the building sector by 2030, and to set a long-term vision for an EU building sector that is climate-neutral by 2050.

The EPBD recast aims to increase the rate and depth of renovations of buildings, and to improve information on the energy performance and the sustainability of buildings. It will guarantee that all new buildings meet ambitious minimum energy performance standards and ensure that all future buildings are in line with the 2050 climate neutrality requirements. The EPBD recast builds on the 2020 *Renovation Wave* strategy in a view to double (at least) the annual renovation rate in the EU by 2030.

Why FIEC is dealing with this topic

Buildings are responsible for approximately 40% of the energy consumption and for 36% of the CO₂ emissions in the EU. About 35% of EU buildings are over 50 years old and almost 75% of the building stock is energy-inefficient, while only 0.4-1.2% of the building stock is renovated each year. Therefore, the renovation of existing buildings has the potential to lead to significant energy savings. Investments in energy efficiency can stimulate the construction industry. SMEs would particularly benefit from a boosted renovation market.

FIEC adopted its position paper on the European Commission's proposal in March 2022. On 18 May, the European Commission proposed to amend the recast EPBD proposal by introducing a so-called "*solar mandate*" for certain building types and for all residential buildings by 2029 as part of its "*REPowerEU plan*", a legislative package aiming at making the EU more independent from Russian fossil fuels.

The lead rapporteur in the *Committee on Industry, Research and Energy* (ITRE) of the European Parliament submitted his draft report in early June 2022, and proposed amendments that went well beyond the

Commission's proposal. FIEC submitted amendments to the European Parliament at the end of June. In October 2022, the vote in the responsible committee was postponed and finally took place in February 2023 after several Members of the European Parliament threatened to vote against the EPBD.

In October 2022, the Czech Presidency of the EU Council reached a common position between the 27 Member States. This so-called "general approach" allows the Council to enter into interinstitutional negotiations on the EPBD. These decisive negotiations between EU institutions are expected to start in spring 2023.

Actions and key dates

14/10/2020	Publication of the <i>Renovation Wave</i> communication
02/02/2021	Position Paper on the <i>Renovation Wave</i> published
15/07/2021	Position on the revision of the EPBD
21/12/2021	Press Release on proposal for recast EPBD
31/03/2022	Position Paper on the recast EPBD proposal
18/05/2022	<i>REPowerEU</i> plan of the European Commission published
29/06/2022	FIEC amendments to the European Commission's legislative proposal
14/09/2022	FIEC participation in Stakeholder Conference on the <i>Renovation Wave</i>
25/10/2022	Meeting with the European Parliament
25/10/2022	General approach in the Council under Czech EU Presidency

Revised Construction Products Regulation (CPR)

The proposal for a revised Construction Products Regulation (CPR) is part of the European Commission's *Sustainable Products Initiative* (SPI), a broader legislative package on sustainable products that the Commission presented in March 2022. The proposal aims to address the numerous shortcomings of the existing legislative framework (e.g., issues related to the development and citation of harmonised standards, to the legal framework surrounding construction products, to the quality of market surveillance, and to the absence of climate, environmental and sustainability performance requirements of construction products).

Why FIEC is dealing with this topic

The CPR sets rules for the marketing of construction products in the Single Market. According to FIEC's analysis, the new Commission proposal would have far-reaching, and mostly negative, consequences on contractors and construction SMEs, if it would be adopted in its current form.

The proposal extends the scope of application of the Regulation to more economic operators and includes contractors who manufacture products on-site for immediate incorporation or for direct installation into the construction works. It also adds significant burdens on contractors for the reuse and re-manufacturing of products. SMEs and micro-enterprises would be affected by new administrative obligations related to the declarations of performance and conformity of products.

The proposal also foresees that the current regulation would remain in force until 2045. The transition to the new framework would thus take more than two decades during which both the current and the future regulation would have to be applied.

FIEC has identified other major problems, such as the absence of short-term or interim solutions that would allow to resolve the long-standing backlog in the citation of harmonised standards. Present or outdated harmonised standards would only be progressively replaced during the transition period. This would be largely incompatible with some of the challenges faced by the construction sector (EU Green Deal, circular economy, digitalisation).



Actions and key dates

30/03/2022

Proposal for a revision of the existing Regulation

08/07/2022

Participation of FIEC in the feedback period of the European Commission

30/08/2022

Meeting with lead rapporteur MEP Christian Doleschal (EPP/DE)

07/09/2022

FIEC Position Paper & Press Release

27/09/2022

Joint industry amendments to the proposal (with the European Builders Confederation, Small Business Standards & Construction Products Europe)

10/10/2022

Public hearing of the European Parliament in the IMCO committee

11/10/2022

Meeting with rapporteur for opinion MEP Pascal Arimont (EPP/BE)

12/10/2022

Expert hearing of the EPP group in the European Parliament

27/10/2022

Meeting with shadow rapporteur MEP Sandro Gozi (Renew/FR)



For further details on TEC actions and key dates, visit www.fiec-ar.eu

THE NEW EU INDUSTRIAL STRATEGY “HIGH LEVEL CONSTRUCTION FORUM”

In March 2020, the European Commission presented its Industrial Strategy with the aim of supporting the twin transition to a green and digital economy, make the EU industry more competitive globally and enhance Europe's strategic autonomy.

The COVID-19 pandemic changed the priorities and the overall framework and the Commission therefore decided to issue a revised Industrial Strategy [COM(2021)350] which was launched in May 2021. The “*New Industrial Strategy*” was updated with 14 priority ecosystems, including “Construction”.

The EC also introduced the concept of “**transition pathways**”, aiming at identifying the actions needed to achieve the twin transition, giving a better understanding of the scale, benefits and conditions required. Being specific to each of the 14 ecosystems, the transition pathways are to be co-created jointly with industry and stakeholders.

For this purpose and as regards the construction ecosystem, the Commission decided to set up a new High Level Construction Forum (HLCF) organised in 3 clusters:

- Cluster 1: **Environment**
- Cluster 2: **Digitalisation**
- Cluster 3: **Resilience**

This is the only EU action exclusively focused on the construction ecosystem and its stakeholders in a holistic manner. It also aims at better coordinating the various responsibilities spread across the different European Commission services involved in the policy work. Consequently, FIEC and its national member federations have actively been contributing and taking part in the new *High Level Construction Forum* (HLCF) and in its clusters. The main objective of the new HLCF is to develop a roadmap for the construction ecosystem with milestones and actions for the implementation of a shared “transition pathway” for Construction. This will directly impact the sector companies and the overall framework for the green and digital transitions. FIEC's active role in the strategy and the Forum's initiatives is of utmost importance.



CONSTRUCTION 4.0



Žiga Turk, SI
Chairman
Working Group
Construction 4.0

In 2016, FIEC launched a BIM Working Group to tackle the impact of **Building Information Modelling** on contractors in the EU. The focus soon moved toward the wider aspects of digitalisation, under a new name, the "Construction 4.0 Working Group".

The aim of the group is to follow relevant policy developments, inform member federations and select priority issues for more in-depth research, discussion and shape common **opinions**. The group published a Position Paper on the behaviour of software companies towards contractors in February 2020. The paper addresses the behaviour of **IT companies**, with regard to data being generated by construction companies; and the licenses that are being offered by many software companies, for critical services to support BIM and other aspects of **digital construction**. This work was based on an internal document on data policy, which considers emerging issues that will eventually need lobbying action. Follow up discussions took place with MEPs and a webinar was held for contractors and software companies in June 2021, to explore how to extend win-win relationships between the former - as the client - and the latter - as the provider.



For further details, visit
www.fiec-ar.eu



MEDA



María Ángeles Asenjo, ES
Vice-President
MEDA

FIEC keeps its member federations informed about key aspects of the EU institutions' activity with regard to **Southern Mediterranean partner countries**, in particular in the context of the European Neighbourhood Policy (ENP). EU policies towards the Southern Mediterranean countries aim at encouraging political and economic reforms in each country and at enhancing cooperation among the EU and the countries of the region. The ENP guides crucial relationships to support the countries in aspects where the EU can provide a specific and positive contribution. In February 2021, the European Commission and the High Representative of the Union for Foreign Affairs and Security published a joint communication entitled "*Renewed partnership with the Southern Neighbourhood - A new Agenda for the Mediterranean*" in a view to relaunch and strengthen strategic partnerships.

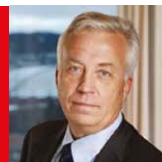
In June 2021, the new **Neighbourhood, Development and International Cooperation Instrument (NDICI)** - "*Global Europe*" - was adopted. Its Regulation states the objectives, the budget for the period 2021-2027, the forms of Union funding and the rules for providing such funding. The budget for the implementation of the instrument will be € 79.4 billion.

The MEDA Vice-Presidency has also eyes on the **Union for the Mediterranean (UfM)**, an intergovernmental organisation bringing together EU Member States and 15 countries from the Southern and Eastern Mediterranean. UfM is a permanent structure dedicated to **strengthening dialogue**, cooperation and **exchange of projects** idea in 6 strategic priority area including business development and employment, water and environment, energy and climate action.



For further details, visit
www.fiec-ar.eu

TASK FORCE "UKRAINE"



Kjetil Tønning, NO
Chairman Task Force
"Ukraine"

In July 2022, FIEC and EIC (*European International Contractors*) decided to set up the joint Task Force "Ukraine" in order to coordinate information and initiatives in view of the post-war **reconstruction** of Ukraine. Extended to EU experts and other stakeholders (engineers, construction products and machineries manufacturers, etc.), the Task Force is chaired by Kjetil Tønning, FIEC Honorary President. FIEC's Ukrainian member federation, CBU, is actively involved in the discussions, as well as local and national authorities.

The Task Force is aware that the recovery and reconstruction phases should be approached in feasible terms and by considering that **"Rebuilding Ukraine"** is a challenge to be undertaken in accordance with EU standards in terms of technical, social and environmental aspects (such as energy efficiency of buildings, urban planning, smart mobility), and with an open eye on issues related to political governance.

In August 2022, the World Bank issued a report entitled *"Rapid Damage and Needs Assessment"* as part of an ongoing joint effort by the Government of Ukraine, the World Bank, and the European Commission with the support of other partners. The goal is to take stock of Ukraine's damage and losses and assess the scale of economic and social needs for a country that will become the *"largest construction site"* in Europe. According to this report, reconstruction and recovery are estimated (as per June 2022 figures) to absorb about US \$ 349 billion. The reconstruction will cover house buildings, schools, hospitals, utilities supplies, transport and civil infrastructure, etc. There are also significant needs for of training of Ukrainian specialists in the field of all types of construction activities.

In October 2022, FIEC President Philip Crampton intervened in the *"Recovery Forum Ukraine 2022"* organised by CBU. To find out more about key actions and dates, use the QR code.



For further details, visit
www.fiec-ar.eu

EU TAXONOMY SUSTAINABILITY



Piero Petrucco, IT
Vice-President
Sustainability

Since 2017, the European Commission has encouraged sustainable investments. In 2020, it launched the "EU taxonomy", a classification system that provides all economic and financial actors with a common understanding of what should be considered as a "sustainable" economic activity in the EU. By creating this harmonised classification system, the Commission aims to help investors, companies and other stakeholders channel investments into "environmentally-friendly" economic activities.

The Taxonomy Regulation was published in the *Official Journal of the European Union* in June 2020 and entered into force in July. In the framework of the Taxonomy Regulation, a dedicated *Platform on Sustainable Finance* (PSF) was set up in October 2020 to advise the European Commission in drafting the so-called technical screening and "Do-no-significant harm" criteria of the taxonomy for environmentally sustainable economic activities, including those carried out by the construction

industry. Pekka Vuorinen (RT/FIN) represented FIEC in the *Platform on Sustainable Finance's* Technical Working Group (TWG) until October 2022. In June 2022, FIEC reacted to the objectives 3-6 of the recommendations of the *Platform on Sustainable Finance*. In October 2022, FIEC hosted the *Construction 2050 Alliance* hybrid event on Sustainable Finance.

In order to raise awareness about the general importance of sustainability aspects and to provide guidance to those construction companies that are still considering how to implement these aspects in their structure and/or processes, as well as to others which would like to go further, FIEC set up a dedicated Working Group, chaired by FIEC Vice-President Piero Petrucco, which published the "*FIEC Strategic Vision – Driving and supporting sustainability in construction*".

In light of the EU's ambitious climate policies, such as, for example, the taxonomy and the *Fit for 55* package, construction companies cannot continue with "*business as usual*". Sustainability and sustainable finance will not be an added value; it will soon become a "*licence to operate*" for contractors.

Scan the QR code to read more information on the EU Taxonomy Regulation.



For further details, visit
www.fiec-ar.eu

PROJECTS

BIM-SPEED



Aiming at stimulating the use of Building Information Modelling (BIM) in the energy renovation of residential buildings.

Construction Blueprint



Aiming at developing a longterm alliance between the concerned stakeholders (employers, workers, VET centres) for a better anticipation of the skills needed in construction and at ensuring a corresponding adaptation of the training schemes.

TANSIRC 2.0

The project "Towards A New Start of Industrial Relations in Construction in Central and East European Countries" (TANSIRC 2.0) aims at (re)building, promoting and fostering industrial relations in the construction industry in the Eastern and Central European countries (CEECs). The project partners joined their expertise to create a stronger added value for the concerned organisations in the CEECs and to build up the capacity of the trade unions and the employers federations to enter in "negotiation" within a system of industrial relations.

Main objectives:

- Reinforcing the social dialogue in CEECs and compensate for the lack of communication between national partners in construction industry.
- Identifying which challenges the COVID-19 pandemic has brought to the construction industry and how to address them.
- Improving the image of construction sector in society and thereby attracting more young people and women.
- Identifying disappearing construction professions due to digitisation, together with the new skills and competences and ways of working needed.
- Addressing undeclared work and illegal practices in CEECs.

PROJECTS

Better Functioning of the European construction Labour Market (FELM)

Aiming at assessing the social and economic challenges linked to the increased number of construction companies and workers from third countries on the EU market and at presenting a series of joint recommendations.

Reducing Respirable Crystalline Silica Dust Effectively (RCSD)

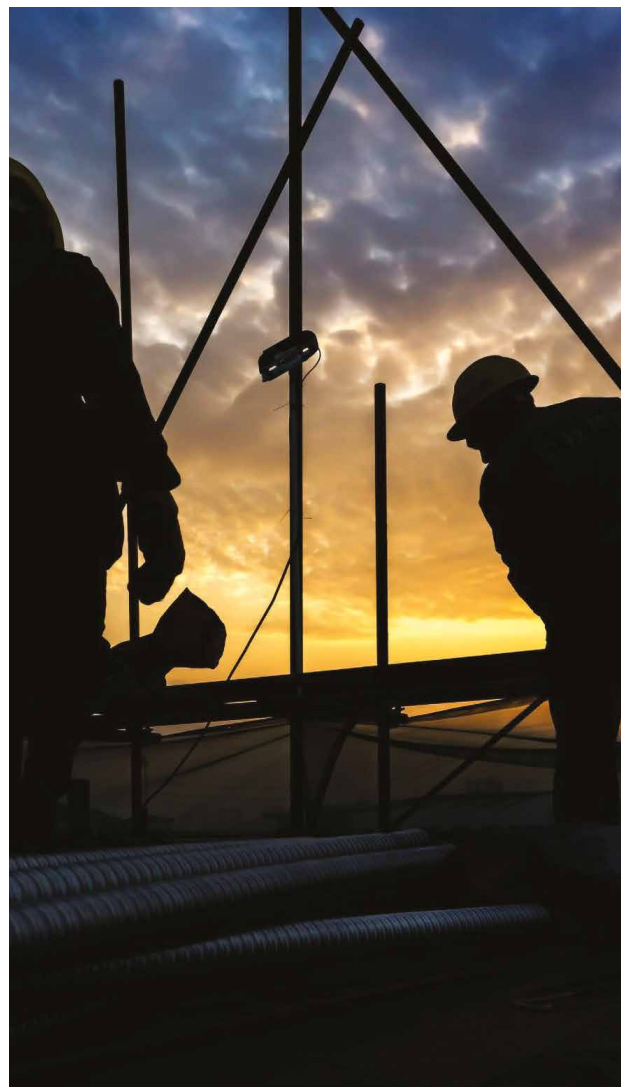
Aiming at achieving an adequate implementation of the existing legislation by ensuring a better prevention of exposure to Respirable Crystalline Silica in construction works and identifying technical and organisational measures to reach the necessary protection level.

Decentralised Social Dialogue in Construction (DESOCO)

Aiming at organising additional Social Dialogue meetings to discuss the main social and economic challenges that are impacting the construction labour market and their future development.



For further details, visit
www.fiec-ar.eu



MEMBER FEDERATIONS

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		www.cnc.es			www.federatiaconstructorilor.ro (as from 1/1/2022)
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Associate members



www.effc.org



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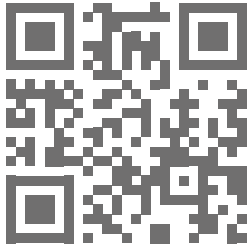
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