**FIEC** is the European Construction Industry Federation, representing via its 31 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.



**FIEC Article** 

09/04/2019

## Finally: the beginning of an EU strategy towards China

Following a decade of relentless lobbying, the European construction industry very much appreciates that at least some of its arguments and requests can be found both in the European Commission's "Strategic Outlook" of 12/3/2019 (<u>https://bit.ly/2J7AwRd</u>) and in the Council conclusions of 22/3/2019 (<u>https://bit.ly/2VwGpcv</u>). From the point of view of the construction industry, in particular the following Commission actions are interesting:

<u>Action 6:</u> Promote reciprocity and open up procurement opportunities in China. Most regrettably, the text seems to be limited to the adoption of the International Procurement Instrument which the European construction industry has always considered as insufficient for the intended purpose.

<u>Action 7:</u> To ensure that not only price but also high levels of labour and environmental standards are taken into account, the Commission will publish guidance by mid-2019 on the participation of foreign bidders and goods in the EU procurement market. This is a good first step, but it needs more, in order to ensure that contracting authorities do not award contracts to abnormally low tenders (ALT) based on unfair competition by third country state aid. The construction industry will give its input to the efforts of Commission and Member States to identify gaps and shortcomings in the current legal framework.

<u>Action 8:</u> To fully address the distortive effects of foreign state ownership and state financing in the internal market, the Commission will identify before the end of 2019 how to fill existing gaps in EU law.

Very good intentions! The construction industry will contribute to the Commission's work.

The Council conclusions are, of course, less specific, but fundamental elements of the strategy described by the Commission can be found in item 3 of the chapter "JOBS, GROWTH AND COMPETITIVENESS".

All of this is more promising than any earlier publication by European institutions. The European construction industry, together with other sectors directly concerned, will contribute to all these actions, in order to ensure that the EU will have a realistic strategy in favour of fair competition on open markets, world-wide.

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