

2017 - 2018

ANNUAL
REPORT

EUROPEAN BUILDERS CONFEDERATION

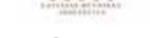


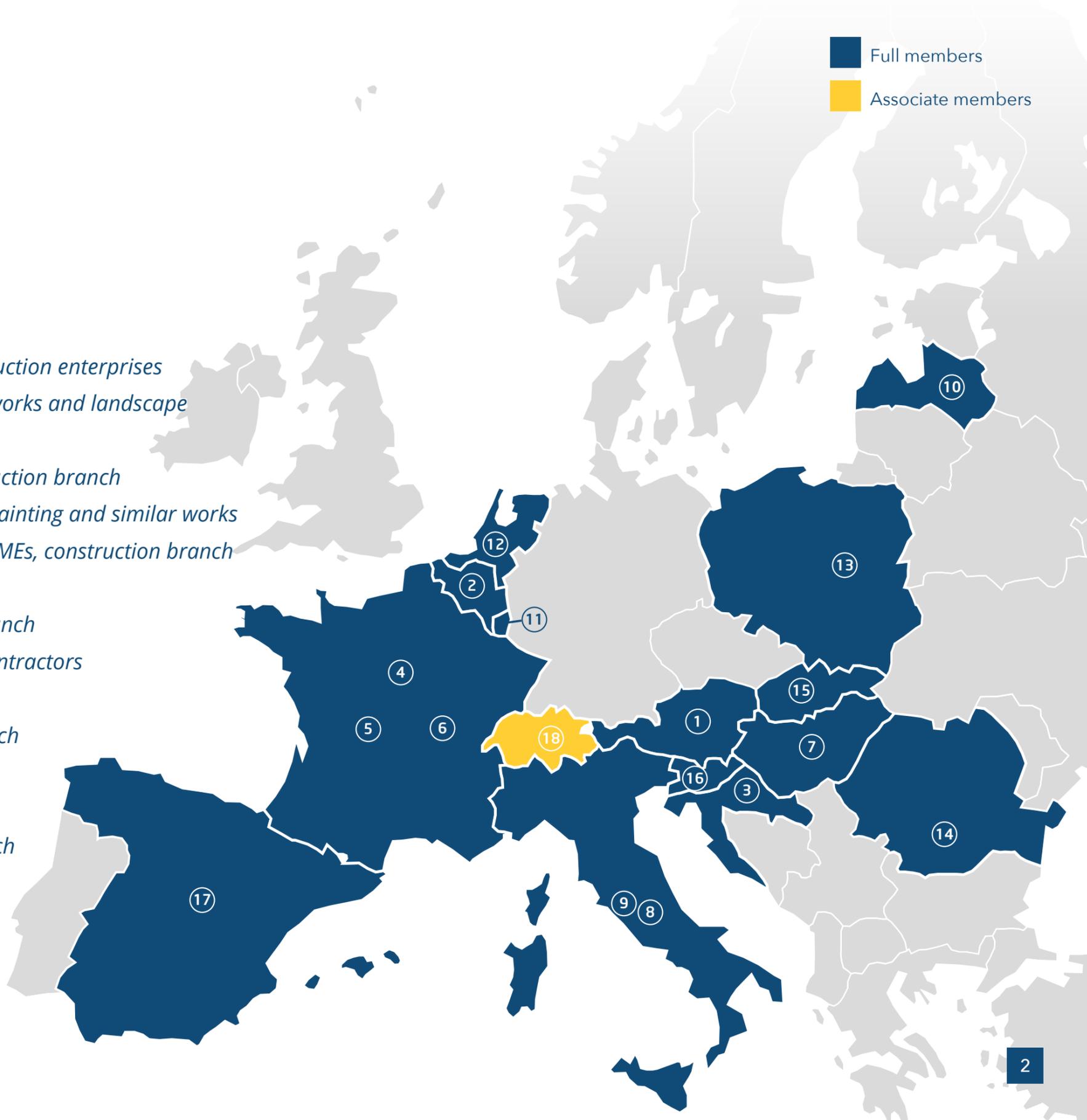
THE VOICE OF CONSTRUCTION CRAFTS AND SMES IN EUROPE

EBC MEMBERS

 Full members
 Associate members

- ① AUSTRIA
- ② BELGIUM
- ③ CROATIA
- ④ FRANCE
- ⑤ FRANCE
- ⑥ FRANCE
- ⑦ HUNGARY
- ⑧ ITALY
- ⑨ ITALY
- ⑩ LATVIA
- ⑪ LUXEMBOURG
- ⑫ NETHERLANDS
- ⑬ POLAND
- ⑭ ROMANIA
- ⑮ SLOVAKIA
- ⑯ SLOVENIA
- ⑰ SPAIN
- ⑱ SWITZERLAND

-  **WKÖ** - Austrian federal economic chamber
-  **BOUWUNIE** - Flemish federation of construction SMEs
-  **HOK** - Croatian chamber of trades and crafts
-  **CAPEB** - French confederation of craftsmen and small construction enterprises
-  **CNATP** - National association of micro-enterprises in public works and landscape
-  **SNSO** - French association of contractors in finishing works
-  **IPOSZ-EKKS** - Hungarian confederation of craftsmen, construction branch
-  **ANAEP** - Italian association of craftsmen for construction, painting and similar works
-  **CNA COSTRUZIONI** - Italian confederation of craftsmen and SMEs, construction branch
-  **LBA** - Latvian builders association
-  **FDA** - Luxembourg association of craftsmen, construction branch
-  **AFNL** - Dutch confederation of building and infrastructure contractors
-  **ZRP** - Polish craftsmen association, construction branch
-  **UNPR** - Romanian employers' association, construction branch
-  **SZZ** - Slovakian Association of Craftsmen
-  **OZS** - Slovenian chamber of craftsmen, construction branch
-  **CNC** - Spanish confederation of construction firms, SME branch
-  **FGMB** - Geneva federation of building trades



EBC is a member of UEAPME and a founding member of SBS



EBC'S ANNUAL REPORT 2017 - 2018 IS AVAILABLE ON THE WEBSITE: WWW.EBC-CONSTRUCTION.EU

FOREWORD

BY THE PRESIDENT



© EESC

Under new leadership, EBC secretariat has ensured that our members' interests remain well positioned at the European level. Our organisation has continued to anticipate and respond to rapid developments in the construction industry, while growing even more. Today the voice of 18 national associations of craftsmen and small and medium-enterprises from 15 European countries is heard in European and international arenas.

Nowadays, our construction SMEs and craft companies are increasingly facing the changes driven by the ongoing digital revolution. We are at the time in which Building Information Modelling, the Internet of Things, 3D printing and other technological developments are reshaping our usual methods and techniques. Digital tools can constitute key enablers of increased productivity, higher quality and more energy efficient buildings built in a shorter amount of time, and with lower costs.

Combining technology and tradition is also making our sector more appealing for women and young people thanks to the increasing number of new high-quality professions requiring digital and energy efficiency competences. With this in mind, and to contribute to the European Year of Cultural Heritage, EBC has decided to put the links between its SMEs', entrepreneurs and craftsmen's know-how, energy efficiency and historical buildings, at the heart of its 2018 Annual Conference in Paris.

EBC is carrying out its mission well, as proven by the results obtained in complex dossiers such as the revision of the directives related to posting of workers, coordination of social security systems, carcinogens, energy performance of buildings and the European Fund for Strategic Investments. Furthermore, compliance with health and safety requirements and EU standards remain priority

concerns for our fellow construction entrepreneurs. EBC will be more deeply involved in European projects with the ultimate aim to technically reinforce our organisation and widen our network.

I have had the honour and privilege to be EBC President since 2015. Over the years, I have seen how new partnerships and talents have brought reinvigorated dynamics and innovative ideas to EBC's activities; I have no doubt about the future of EBC. As I prepare to hand over my duties to my successor, I would like to thank all the people who belong to the EBC family for the support and trust you have instilled in me over the past years. Looking ahead, let me ensure you that EBC will continue to successfully engage with the major actors of the construction industry and European institutions to represent and defend construction micro to medium-sized enterprises in Europe.

PATRICK LIÉBUS
EBC PRESIDENT

PRESENTATION OF EBC

EBC: THE VOICE OF CONSTRUCTION SMES AND CRAFTSMEN IN EUROPE

An increasing number of national regulations derives from the transposition of European legislation into domestic law, especially in policy domains such as energy, standardisation, environment and social issues. These European legislative acts set out goals that EU countries must achieve, with a direct impact on SMEs. This is especially the case in the construction sector, where SMEs need a favourable environment, both at national and EU level, to develop.

Six national associations representing construction SMEs and craftsmen in different European countries therefore joined forces in 1990 to establish **the European Builders Confederation (EBC)**, a European professional organisation representing national associations of crafts, micro, small and medium-sized enterprises working in the construction sector. At its beginning the organisation had 6 members, and now we speak for 18 full members. The Secretariat of the organisation is **headquartered in Brussels** at the heart of Europe and makes sure that the voice of construction SMEs and craftsmen is heard in European policy-making. We are a member of the European Association of Craft, Small and Medium-Sized Enterprises (UEAPME), as well as a founding member and project partner of Small Business Standards (SBS), the association that represents SMEs in the standardisation system.

EBC WELCOMES A NEW MEMBER IN 2018

EBC is delighted to welcome a new association member in 2018, SZZ, the Slovakian Association of Craftsmen. EBC is already actively working with the Slovakian colleagues in order to exchange best practices, develop joint initiatives and have a common voice at the European political level. With this new member, EBC has strengthened its geographical and sectoral representativeness, so that in 2018 more construction SMEs and craftsmen have their voices heard in Europe.

OUR MISSION: ANTICIPATE, EXCHANGE, POSITION AND THEN ACT

We represent, defend and promote the interests of micro, small and medium-sized construction entrepreneurs, in close co-ordination with our national member organisations. With 18 members in 15 countries, together we work to bring the voice of construction SMEs to European decision-makers.

OUR MISSION IS:

- to ensure that construction SMEs' specific needs are taken into consideration during the European legislative process in order to create an **SME-friendly business environment** and to make it possible for construction SMEs to be the driver of **sustainable economic growth** in Europe;
- to put forward **construction SMEs' contribution to the European decision-making process** in the field of sustainability, energy efficiency, health and safety at work, entrepreneurship, SME access to markets, standardisation and fair competition in the internal market, among others;
- to increase the **understanding of SMEs' construction businesses' role** - which represent the vast majority of the sector - for employment and sustainable development, and get them heard in the European institutions, the European Standardisation Organisations and international organisations;
- to enable representatives of micro, small and medium-sized construction enterprises to participate in the **European sectoral social dialogue**, thus increasing its relevance and reinforcing its impact. Social dialogue is crucial for a healthy functioning of our economy, but it has to be representative in order to work well. This is why EBC is asking to be accepted as a full member in the European Social Dialogue Committee for Construction and contribute with the input of its construction companies and craftsmen on important social issues.



STRUCTURE OF EBC



PRESIDENT
Patrick LIÉBUS
(CAPEB, France)



VICE - PRESIDENT
Rinaldo INCERPI
(CNA Costruzioni, Italy)



PAST - PRESIDENT
José Antonio
CALVO DELGADO
(CNC, Spain)



TREASURER
Nicolas RUFENER
(FMB, Switzerland)



AUDITOR
Patrick KOEHNEN
(FDA, Luxemburg)



**CHAIRMAN OF UEAPME
CONSTRUCTION FORUM**
Philippe
VAN NIEUWENHUIZEN
(AFNL, Netherlands)

THE TEAM



**SECRETARY
GENERAL**
Eugenio QUINTIERI



**POLICY
OFFICER**
Ann-Cathrin RÖNSCH



**POLICY
OFFICER**
Fernando SIGCHOS JIMÉNEZ



**COMMUNICATION
OFFICER**
Alessandra FLORA



**STANDARDISATION
TECHNICAL OFFICER**
Adam PINNEY



**COMMUNICATION
AND PUBLIC AFFAIRS INTERN**
Marsida BANDILLI

THE CONSTRUCTION SECTOR



9%
of the GDP of the European Union

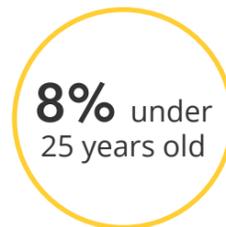
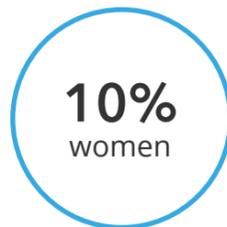
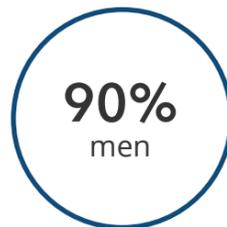


3,4 million
enterprises in the sector



18 million
workers in the sector

YOUNG PEOPLE & WOMEN IN CONSTRUCTION



EUROPEAN CONSTRUCTION ENTERPRISES*



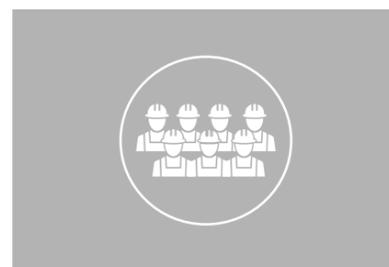
94,1%
Microenterprises
less than 10 employees



5,3%
Small enterprises
from 10 to 49 employees



0,5%
Medium enterprises
from 50 to 249 employees



0,1%
Large enterprises
more than 250 employees

* by size - Source: Eurostat 2015



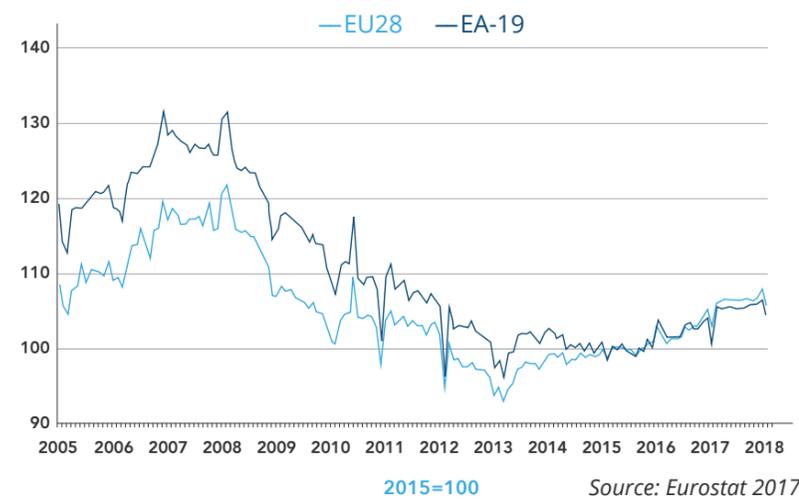
PERFORMANCE AND TRENDS OF THE CONSTRUCTION SECTOR

Until the end of 2006, construction output in Europe increased steadily but, with the economic and financial crisis, output began to decline quite dramatically. Between spring 2008 and early 2013 the level of total construction in the EU-28 was on a more or less constant decline. However, as from 2015, the construction industry seems to be on the path to recovery, according to data from Eurostat and from Euroconstruct, a network of research centres specialised in construction economics. The recent increase in construction demand is partly due to robust economic growth and its positive implications for household income, corporate profits and the state of public finances. Moreover, low interest rates, internal migration flows (e.g. towards urban areas), as well as the investment backlog that has accumulated since the financial crisis is supporting these positive trends.

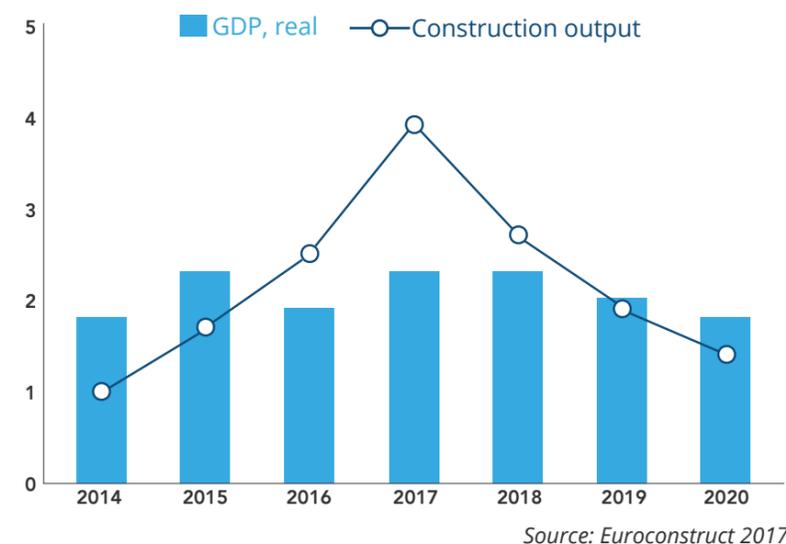
In 2017, growth in construction in Europe reached its highest level since 2006: construction investment registered its third consecutive year of recovery, growing by 3,5% in the euro area (4,3% in the EU), but its share of GDP (about 18%) remained clearly below the peak of 2007. And the future in construction looks bright as well: growth is set to remain strong in 2018 and ease only slightly in 2019 with growth 2,3% and 2,0% in both the EU and the euro area, according to the European Commission economic forecast ([see Spring 2018 Economic Forecast](#)). Over the forecast horizon, construction investment growth in the euro area is projected to remain strong, at 3,2% in both 2018 and 2019 (3,4% and 3,0% in the EU), with all Member States participating in the expansion.

In summary, the European construction market has entered a phase of recovery but reaching pre-financial crisis levels is still a long-term goal that will be reachable only with an adequate regulatory and financial framework.

EU-28 AND EA-19 CONSTRUCTION PRODUCTION 2005-2018, CALENDAR AND SEASONALLY ADJUSTED DATA



GDP VS. CONSTRUCTION OUTPUT year on year change, in %



SOCIAL AFFAIRS



POSTING OF WORKERS DIRECTIVE: A BALANCED AGREEMENT, LET'S NOW FOCUS ON ENFORCEMENT

The impact of the posting of workers in construction is bigger than in any other sector; 40% of all posted workers are in construction, which means that this phenomenon represents 5% of the active workforce of the sector. However, regulatory weaknesses have often led to market and social abuses based on downwards salary competition. For this reason, EBC has always supported the revision of the Posting of Workers Directive to stop unfair competition between construction companies working in the same country but not respecting the same rules.

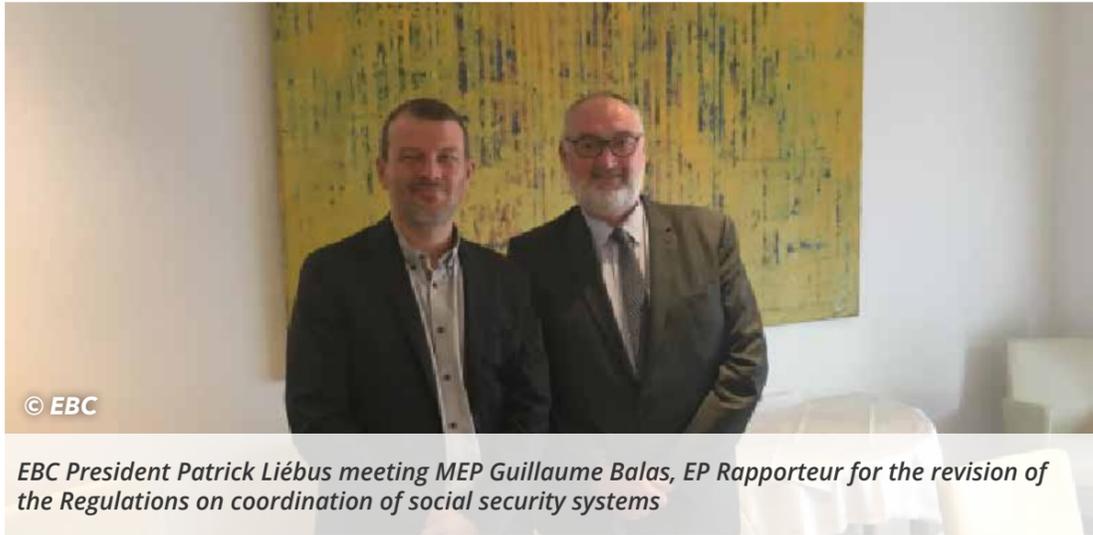
On 29 May, the European Parliament approved the compromise text on the revision of the Posting of Workers Directive. Overall, the revision represents a balanced compromise that goes in the right direction by supporting the principle of “equal pay for equal work at the same workplace” to be applied from the first day of posting. Moreover, EBC has positively welcomed the strengthened national role regarding the monitoring and control of implementation and the possibility given to Member States to apply specific collective agreements set at local or sectoral levels. Regrettably, the revised agreement foresees a posting duration of maximum 12 months (with a possible extension of 6 months) that does not reflect market reality: genuine posting lasts on average 4 months in the construction sector. Finally, concerns remain as regards potential abuses from temporary work agencies and the missed opportunity of requiring a prior employment contractual relationship between the employee and the construction company before starting any posted activity in another country.

When the revised posting of workers rules are applicable 2 years from now, it will be crucial to guarantee their proper application in the whole European Union. EBC will keep asking for a better EU enforcement system with the hope that it will be achieved through the creation of the new European Labour Authority and the revision of the Regulations on Coordination of Social Security Systems.

EBC BECOMES AN OFFICIAL PARTNER OF THE EU-OSHA HEALTHY WORKPLACES CAMPAIGN 2018-19 ON DANGEROUS SUBSTANCES

In May 2018, **EBC successfully became an official partner of** the new Europe-wide campaign [“Healthy Workplaces Manage Dangerous Substances campaign 2018-2019”](#), run by the European Agency for Safety and Health at Work (EU-OSHA) with the aim of promoting the prevention of risks related to dangerous substances in workplaces. Exposure to dangerous substances is a serious concern affecting construction workplaces, among other reasons because of the frequent handling and use of chemical products, the exposure to carcinogenic liquids, fumes or dust, or the release of harmful materials such as asbestos during building maintenance or renovation works. EBC believes that the dissemination of high-quality information about the importance of a healthy and safe environment will support the prevention and reduction of risks related to dangerous substances and exposure to carcinogens at work.





© EBC

EBC President Patrick Liébus meeting MEP Guillaume Balas, EP Rapporteur for the revision of the Regulations on coordination of social security systems

COORDINATION OF SOCIAL SECURITY SYSTEMS: 12 POINT-PLAN OF CONSTRUCTION SMES AND CRAFTSMEN

While the Posting of Workers Directive deals with the terms and conditions of employment of posted workers, the social security coordination rules aim to determine which social security system applies, in an overall framework of EU labour mobility. The current European framework for the coordination of social security systems, however, offers leeway for unfair competition for construction SMEs and unfair treatment for workers that are deprived of the effective exercise of their social and labour rights. Moreover, the non-payment of social security contributions and taxes represents a threat to the financial sustainability of social security systems and overall public finances of the Member States. For these reasons, EBC has been a strong supporter of the revision of

the Regulations on coordination of social security systems (883/2004 and 987/2009) proposed by the European Commission, aimed at giving national authorities the appropriate means to check the social security status of the posted employees and to remedy any practice that might be unfair or abusive. With this in mind, EBC has put forward a 12 point-plan based on three pillars: 1) Social security rules for posted workers should reflect labour market reality; 2) More reliable and transparent information on A1 forms is needed; 3) Enforcement of social security rules should be improved at the national level. EBC's [12 point-plan](#) aims at improving the current Commission proposal, with high hopes that it will be taken into consideration in the current political negotiations between the European Parliament and Council.



© BANNAFARSAI_STOCK/SHUTTERSTOCK.COM



AN INCREASINGLY STRONGER AND WIDER EUROPEAN ALLIANCE FOR APPRENTICESHIP

EBC joined the European Alliance for Apprenticeship (EAfA) in 2015 to strengthen the supply, quality and image of apprenticeships in the construction industry. Indeed, EBC supports EAfA by sharing recommendations to encourage small companies, national associations and construction SMEs to take actions that promote apprenticeships, support Vocational and Educational Training (VET) and entrepreneurship, and encourage the exchange of best practices on work-based education systems.

DIGITALISATION



SMARTER CONSTRUCTION,
STRONGER ECONOMY,
INCLUSIVE SOCIETY:
**THE EUROPEAN DIGITAL
CONSTRUCTION MANIFESTO**

The European Construction Industry Manifesto for Digitalisation

DIGITALISATION: AN ENABLER IN THE CONSTRUCTION INDUSTRY

Digital solutions in construction have great potential to increase productivity, reduce construction costs, alleviate burdensome and physical tasks, improve the data collection and analysis of energy efficiency performances, and lower life-cycle costs of buildings. As 99,9% of the European construction sector is composed of micro, small and medium-sized enterprises, the expected digital transformation of the construction sector cannot happen without these crucial actors; only an inclusive transformation will ensure the strengthening of the sector as a whole.

However, digitalisation is an enabler and not a goal in itself. Digital solutions, such as BIM, make sense when they are affordable, easy to access and constitute a real added value to construction SMEs and craftsmen. Moreover, given their limited size, SMEs often lack internal experts that are able to deal with digital tools and need the support from large contractors, architects, manufacturers and further value chain actors. For this reason, EBC has started to collaborate intensively with all construction actors in order to enable a successful digital transformation of the construction industry. Best practices show that when SMEs are introduced to digital tools from other sectoral actors, there are higher probabilities that those SMEs will use them in the future in their daily routine. As a result of this intense cooperation, EBC has actively contributed to the drafting of the [“European Digital Manifesto for Construction: Smarter construction, Stronger economy, Inclusive Society”](#), which outlines the main political priorities of the construction industry in the field of digital construction. Nevertheless, cooperation in the construction value chain needs to be paired with supportive European and national regulatory and financial frameworks in order to make digital transformation a reality. For this reason, EBC has been asking **that digitalisation of the construction sector must be one of the main priorities of the EU political agenda**. In this context, construction SMEs and craftsmen fully support the setting up of a post-2020 Multiannual Financial Framework that supports world-leading European digitalisation and digital transformation of the construction industry.



On 28-29 March 2018, EBC spoke at BimWorld Paris on digital transformation for construction SMEs, under the auspices of the President of the Republic Emmanuel Macron.

HOW CAN THE DIGITALISATION OF THE EU ENERGY RENOVATION SECTOR BOOST YOUTH EMPLOYMENT?

What benefits flow from a digitalised energy renovation market?

Safer working environment As heavy - and sometimes dangerous - manual tasks on construction sites will be alleviated by the use of digital tools	Improved working conditions As new techniques are increasingly carried out indoors, new technology can facilitate construction outdoors	More innovative quality jobs As repetitive low skilled tasks give way to high tech, better paid state-of-the-art jobs
Increased productivity & reliability As digital automation reduces construction times and costs and facilitates quicker delivery times	Enhanced collaboration As digitalisation of data facilitates cross-sectoral collaboration	More inclusive labour market for women & youth As digitalisation could bridge the widening gap between an ageing construction workforce and rising youth unemployment

The construction sector is faced with an ageing workforce and skills shortage, while youth unemployment remains high across the EU. A digitalised and therefore more attractive energy renovation sector could provide the solution to both of these challenges.

How can the EU support tomorrow's digitalised energy renovation sector for youth?

The post-2020 Multi-Annual Financial Framework (MFF), especially the European Social Fund (ESF), is crucial to provide:

Digitalised Energy Efficiency Training: <ul style="list-style-type: none"> Upskill blue collar workers Improve the quality of apprenticeships for young people Complement the skills portfolio of more mature workers 	Support to SMEs: <ul style="list-style-type: none"> Support SMEs' access to finance in order to facilitate their use of accessible digital tools and participation in data sharing platforms
---	--

92% of the construction sector is composed of micro-enterprises (less than 10 employees)

The EU must stand at the frontline of the energy renovation digitalisation curve in order to remain competitive

The Long-term National Renovation Strategies in the Energy Performance of Building Directive (EPBD) offer Member States the ideal opportunity to address youth unemployment and prepare our local workforce for tomorrow's digitalised labour market. A comprehensive, forward-looking National Renovation Strategy will deliver on the EU's Digital Agenda and boost Jobs and Growth for the next generations. Achieving a highly energy efficient building stock (known as Nearly Zero Energy Building NZEB) by 2050 is vital for the employment, prosperity and wellbeing of EU citizens and businesses.



© EuroACE



© BIM Summit



© EuroACE



© BIM Summit



© EBC

EBC discussed "Youth unemployment and the digitalisation of the energy renovation sector" in an event organised together with Renovate Europe and the European Parliament Youth Intergroup, under the auspices of MEP Brando Benifei (S&D, Italy).

EBC spoke at the European BIM Summit 2018 on 8-9 March in Barcelona, Spain

Philip van Nieuwenhuizen (EBC Director) intervening at the EU Industry Days

EBC, CECE, FIEC AND CPE ORGANISE A WORKSHOP ON DIGITAL CONSTRUCTION DURING THE EU INDUSTRY DAYS

On 22 February 2018, for the first time, four major organisations of the construction industry (EBC, CECE, Construction Products Europe and FIEC) gathered at the highest political level to co-organise a workshop on digital construction, as part of the European Industry Days. The European construction industry has moved closer to its vision of a common European digital construction strategy.

EBC, FIEC and Renovate Europe published a joint infographic to inform on "How can the digitalisation of the EU energy renovation sector boost youth employment?". This joint initiative aims at encouraging the European institutions to be the frontrunners of energy renovation digitalisation in order to remain competitive, tackle youth unemployment, promote digital skills, and reach a highly energy efficient building stock.

ECONOMY AND INTERNAL MARKET

SPECIAL SCHEME FOR SMALL ENTERPRISES: VAT EXEMPTIONS SHOULD NOT LEAD TO MARKET DISTORTION

In January 2018, the European Commission published a proposal amending the special scheme for small enterprises, including an EU wide annual turnover no higher than EUR 2 million, under which enterprises have access to simplified VAT obligations; a maximum national threshold of EUR 85 000 under which enterprises can be exempted from VAT obligations (overall EU turnover of EUR 100 000); and a maximum transitional period of 1 year in which small enterprises, temporarily exceeding the threshold, can continue to use the exemption.

EBC published a [position paper](#) on this issue in June 2018 in which it welcomes the Commission's proposal to further reduce the administrative obligations for small enterprises and particularly the alignment with the definition of micro-enterprises regarding simplification measures. However, EBC calls for changes concerning the national maximum threshold of EUR 85 000 under which enterprises can be exempted from VAT obligations. This could incentivise Member States to strongly increase their currently applicable thresholds and hence open the door for unfair competition and a distortion of the market.

SERVICES E-CARD: EUROPEAN PARLIAMENT FORESTALLS RISKS FOR THE INTERNAL MARKET

In January 2017, the European Commission presented a proposal for a new European 'services e-card' as part of a legislative package on the rules governing the single market for services. EBC shared major concerns on the real added value of this proposal, outlining that the complexity of the system would have created risks of abuse and unfair competition in the internal market.

Having opposed this proposed legislation for its sector, EBC was relieved that the services e-card was rejected by the European Parliament in March 2018. This was an important signal that the Internal Market freedoms, the creation of a level playing field, appropriate tools to prevent abuse and fraud and the enforcement of the law have to go hand in hand, in order to be efficient and acceptable. At the same time, this was also a clear indication that all efforts to develop and strengthen these aspects of the EU Internal Market are much more likely to succeed if they have been prepared in close cooperation with all representative stakeholders of the industry sectors concerned.



VAT RATES: INFORMATION ON REDUCED RATES NEEDS TO BE STRENGTHENED TO LIMIT COMPLEXITY AND DECREASE ADMINISTRATIVE BURDENS

Within the framework of the reform package announced in the VAT action plan, the European Commission published a proposal as regards rates of value added tax in the beginning of 2018. The draft guidelines intend to allow Member States to apply a super-reduced rate of below 5% and a VAT exemption, in addition to the two reduced rates that Member States can already adopt. In order to avoid unfair competition, the Commission demands a weighted average VAT rate of at least 12% and introduced a list of goods and services to which reduced or zero rates cannot be applied.

EBC supports low VAT rates and encourages Member States to make further use of them in order to renovate the building stock in the European Union as stated in its [position paper](#). However, it is important to keep in mind that a large diversity of VAT rates can lead to higher administrative burdens and compliance costs for SMEs. Thus it is important to limit the complexity for craftsmen and SMEs, in particular those that engage in border regions, by publishing and continuously updating easy accessible information on VAT in all 24 languages. Furthermore EBC calls on the Commission to clarify that a single VAT rate – reduced or normal – should apply independent of whether the buyer is a private person or a company.

PUBLIC PROCUREMENT: MEMBER STATES HAVE TO ENSURE THAT SMES ARE NOT DISADVANTAGED

In October 2017, the European Commission proposed a non-legislative package to help public authorities to use public procurement in a more strategic way to obtain better value for taxpayers money and to reach environmental, societal, technological objectives when buying goods and services.

Given that public procurement in the EU accounts for more than 14% of GDP, EBC is glad to see that the Commission will take action on updating the guidance on green and social procurement and provide guidance on innovative procurement; fostering the exchange of good practices regarding strategic procurement; launching pilots to boost SMEs' participation via business intermediaries and innovation brokers; and introducing a pilot training on 'SME-friendly policies in Central Purchasing Bodies'. However, EBC has major concerns that the current implementation of the Public Procurement Directive in certain Member States excludes numerous SMEs from public tenders, because environmental and social measures are used as part of the award criteria instead of the tender prerequisites. This is strongly disadvantaging construction SMEs in public tenders.



SME POLICY

SME DEFINITION: A STRONGER FOCUS ON SUPPORT FOR MICRO ENTERPRISES IS NEEDED

In February 2018, the European Commission opened a public consultation as part of the process to evaluate and possibly revise certain aspects of the SME definition. Currently the definition identifies three types of SMEs: micro enterprises – less than 10 people employed and a turnover or balance sheet total of less than EUR 2 million; small enterprises – less than 50 people employed and a turnover or balance sheet total of less than EUR 10 million; and medium-sized enterprises – less than 250 people employed and a turnover of less than EUR 50 million or a balance sheet total of less than EUR 43 million.

Given the importance of the issue for construction SMEs, EBC participated in the consultation and published a [position paper](#), highlighting that the existing SME definition is still fit for purpose because it covers those enterprises that experience the same challenges as other market actors (e.g. administrative burdens; and access to finance, innovation or public markets) but have fewer capacities to deal with them. Instead of extending the SME definition to include even bigger companies, EBC urges for greater emphasis on micro enterprises in policy development and EU programmes, a better distinction between micro enterprises and the self-employed, and the publication of verified data on the participation of each SME type in EU programmes.

UEAPME CONSTRUCTION FORUM

Since 2008, EBC has chaired the UEAPME Construction Forum which brings UEAPME horizontal and sectoral members together twice a year in order to discuss issues of particular importance to construction SMEs and craftsmen. Some of the main issues discussed have been the Energy Performance of Buildings Directive, the Construction Products Regulation, the e-service card, the circular economy package and general challenges in regard to standardisation.

In November 2017, EBC and UEAPME co-organised an event on EU project funding possibilities and examples within the framework of the Construction Forum. The event focussed on European projects, such as Horizon2020, Interreg and Erasmus+, and intended to offer participants a general overview of when, where and how construction SMEs and their national organisations can engage in European projects, inspiration for possible future projects and tips and tricks for project application.



TRANSPORT POLICY

DRIVING TIMES AND TACHOGRAPH REGULATIONS: CONSTRUCTION SECTOR SHOULD BENEFIT FROM NATIONAL EXEMPTIONS

As part of the “Europe on the move” package, the European Commission published in May 2017 a proposal amending the regulations on maximum daily and weekly driving times, minimum breaks and daily and weekly rest periods as well as on positioning by means of tachographs. The objective of the proposal is to correct existing shortcomings and to help improve the working and business conditions in the sector.

Construction SMEs are strongly affected by the regulations although transport is not their main business activity. This is due to the fact that they transport construction materials, equipment and machinery within a geographically limited area for the purpose of a specific construction site. Thus, EBC believes that the construction sector should benefit from possible national exemptions in the same way as e.g. agriculture, horticultural and forestry. Furthermore EBC sees the discussions on including lightweight commercial vehicles (LCVs) as critical, because it will increase administrative and financial burdens. Hence, EBC encourages policy-makers not to include LCVs in the legislation. Construction SMEs and related crafts (e.g. plumbers and joiners) already face burdensome and costly challenges because of this legislation. In certain cases, such an extension of the scope could even put enterprises at the risk of closure due to higher financial and administrative burdens.



© KZENON/SHUTTERSTOCK.COM



© ASTROSTAR/SHUTTERSTOCK.COM

ENERGY AND ENVIRONMENT



EPBD AND EED: STRONG LEGAL FRAMEWORK NEEDS PROPER IMPLEMENTATION AND EFFORTS TO REACH OBJECTIVES

In November 2016, the European Commission unveiled the “Clean Energy for all Europeans” Package, including among others proposals to amend the Energy Performance of Buildings Directive (EPBD) and the Energy Efficiency Directive (EED).

EBC welcomed the revision of the EPBD as an important step to reduce the energy consumption of the building stock and to strengthen the renovation sector. Hence, EBC published a [position paper](#) on the EPBD and stayed in close contact with MEPs, representatives from the Permanent Representations and the European Commission during the subsequent discussions as well as the interinstitutional negotiations. In addition to this, EBC participated in various conferences in order to highlight the position of construction SMEs on the topic as well as the positive role a strong EPBD could offer in regard to jobs and growth among construction SMEs. Given the extensive work invested in the topic, EBC is very glad to see that the final agreement reached in May 2018 includes mechanisms for the aggregation of projects thus better involving SMEs; a better mobilisation of investment by reducing the perceived risks and using public funding to generate private-sector investment; early financial incentives for private owners to encourage them to renovate, the collection and dissemination of best-practices; and a continued focus on alternatives to inspections of heating and air-conditioning systems, such as maintenance.

Moreover, EBC supports the general engagement of the European Union in energy efficiency to ensure that the objectives of the 2030 framework are met and international commitments in the frame of COP 21 are achieved and thus appreciates the revision of the EED. In line with this, EBC published a [position paper](#) in March 2017, calling for the prolongation of the annual 1,5% savings obligation until 2030 and possibly beyond; a clear commitment towards energy efficiency and thus a clear path for investment needs; and more ambition regarding the refurbishment of public buildings.



On 24 October, Eugenio Quintieri, EBC Secretary General, spoke at the Concerted Action EPBD workshop on vocational skills for energy efficient buildings, held in Bucharest



© MEMORIESSTOCKER/SHUTTERSTOCK.COM



Energy efficient Mortgages Action Plan

CIRCULAR ECONOMY: SMES SHOULD HAVE PROPER MEANS TO ENSURE FEASIBLE TRANSITION

In December 2015, the European Commission published four proposals amending, among others, the directive on waste and the directive on landfill of waste, within the framework of the circular economy package. The key goal of the package is to help European businesses and consumers to make the transition to a stronger and more circular economy where resources are used in a more sustainable way. Keeping in mind that the construction sector is responsible for about 35% of the total generated waste in the EU, the contribution of construction craftsmen and SMEs is fundamental for a new circular economy model.

Within this framework, EBC published a [position paper](#) calling for a feasible transition. EBC believes that the revision of the waste and landfill of waste directives is essential for the environment and thus supports actions that reduce the production of waste and encourage sorting, re-use and recycling where technically feasible and cost-effective. Consequently it is essential to provide SMEs with the proper means to make the legislative framework a success and to support their continuous efforts to minimize and recycle the emerging waste at any stage. Hence, EBC worries that the proposed extended producer responsibility will lead to non-proportionately high administrative and economic costs for SMEs. The possible additional targets for construction and demolition waste and its material-specific fractions by 2024 may not properly take into account efforts already made or the limited access to best available techniques, especially for micro and small construction enterprises.

EEMAP

EBC is a stakeholder within the Energy efficient Mortgages Action Plan (EeMAP) of the European Mortgage Federation/European Covered Bond Council that focuses on the creation of a standardised “energy efficient mortgage”, according to which building owners are incentivised to improve the energy efficiency of their buildings or acquire an already energy efficient property by way of preferential financing conditions linked to the mortgage. In May 2018, EBC joined the EeMAP Pilot Scheme.



EBC JOINS THE “SMALL IS BEAUTIFUL” CAMPAIGN TO SUPPORT SMALL SCALE RENEWABLE ENERGY INSTALLATIONS

On 23 May, EBC joined the “Small is Beautiful” Campaign, initiated by various European associations, to urge policy makers to acknowledge the specificities of small-scale renewable installations and cogeneration facilities in the Electricity Market Design regulatory framework. The main objectives of the campaign are to safeguard the current priority dispatch and access regimes as well as the exemption from balancing responsibilities for small scale renewable and highly efficient cogeneration installations. Small-scale renewable installations will support Europe’s industrial leadership in clean energy technologies and ensure that benefits are grasped by all layers of society. Furthermore, they create skilled, local, non-transferable jobs in the construction sector.

STANDARDISATION



EBC'S STRATEGIC ROLE TO REPRESENT CONSTRUCTION SMES IN STANDARDISATION

Small Business Standards (SBS) is a European non-profit association co-financed by the European Commission, EFTA Member States and its members. Its goal is to represent and defend small and medium-sized enterprises' (SMEs) interests in the standardisation process at European and international levels. By raising awareness among European SMEs, SBS is making sure that they are represented in standardisation. EBC believes that there is a need to promote standardisation to SMEs involved with the construction industry. We work together with SBS to make a positive contribution to standardisation and at the same time we represent SBS in construction-related fora and technical committees. In this context, EBC is assisting SBS Members and experts in the implementation of the Construction Products Regulation (CPR), an important legislative act that lays down harmonised conditions for the marketing of construction products.

EBC chairs the SBS Construction Forum, an annual event which discusses matters of interest to SMEs involved in standardisation while identifying new possibilities for collaboration. The last SBS Construction Forum focused entirely on challenges and opportunities of the Construction Products Regulation (CPRs) for SMEs, was held on 11 October 2017 in Brussels.

EBC EXPERTS IN CONSTRUCTION

SBS has appointed 57 experts in 2018, following standardisation activities from an increasingly diverse range of sectors – among others construction. EBC coordinates the work of SBS standardisation experts in construction and actively contributes to the standardisation drafting thanks to the work of Adam Pinney who participates in meetings of CEN TC 241, dealing with standardisation of gypsum and its products, and its Working Group. Moreover, EBC strategically leads SBS activities on Building Information Modelling (BIM) by contributing to the works of CEN TC 442, tasked with BIM standardisation.

CONSTRUCTION PRODUCTS REGULATION

The EU's Construction Products Regulation (CPR) is one of the most important pieces of legislation in the construction field, which sets the legal conditions according to which products can circulate freely within the European Union (EU). The legislative act, which came into force in 2013, made CE marking compulsory throughout the EU. The CPR primarily addresses the relationship between product manufacturers and market surveillance authorities, and only indirectly covers the relationship between manufacturers and users of construction products. The requirements and provisions reflected in the regulation, however, have an impact on product specifiers/users, in particular SMEs, who represent the majority of EBC members.

Since 2016, the European Commission has been assessing the performance of the CPR with the aim of providing an evidence-based comparison of the various options for the future, as an input for the decision to revise, not to revise or to repeal the CPR. Following the Commission's assessment, EBC published a [position paper](#) coupled with a technical note and concrete suggestions as input to the CPR review process.

EBC SUGGESTIONS FOR A SME-FRIENDLY APPLICATION OF THE CPR

- **THE SUPPLY OF PERFORMANCE INFORMATION OF CONSTRUCTION PRODUCTS:**
SMEs' efforts should be minimised by having just one document providing all relevant information about the product
- **EXEMPTIONS AND SIMPLIFIED PROCEDURES OF THE CPR:**
exemptions and simplified procedures (Articles 5, 37 and 38) should be further clarified in order to be fully used by small and medium-sized enterprises
- **THE CONTENT AND QUALITY OF CPR STANDARDS:**
Simplifications in harmonised European standards (hEN) should be preserved and need to be made better known to SMEs. Moreover, they should include less onerous assessment methods that are just as robust a method as testing
- **POST-CE MARKING NATIONAL REQUIREMENTS:**
harmonised European Standards should be exhaustive, so as to minimise the need for post-CE marking additional national requirements
- **MARKET SURVEILLANCE:**
Market surveillance authorities should be prepared to intervene more frequently and actively to prevent instances of possibly unsafe products and unfair competition
- **ACCESS TO STANDARDISATION AND STANDARDS:**
all stakeholders should be adequately represented in standardisation, and regulatory and financial burdens of applying standards should be reduced

INTERMAT 2018: SBS AND EBC EMPHASISE THE IMPORTANCE TO ENGAGE SMES IN DIGITALISATION AND STANDARDISATION

On 24 April, Small Business Standards (SBS) and buildingSMART International organized the conference «Why are open standards a way for SMEs to access BIM?», during INTERMAT, the international exhibition for construction and infrastructure, in Paris, with 1,500 exhibitors presenting equipment, materials and solutions for civil engineering and structural building works. Eugenio Quintieri, participated in the conference panel on behalf of SBS, alongside representatives from buildingSMART International and the French standardisation organisation AFNOR. On the occasion, EBC exchanged views regarding the importance of openBIM for construction SMEs and how to better involve them in the standardisation process.



EBC Secretary General, Eugenio Quintieri, intervening on BIM at INTERMAT 2018

PARTNERS

© REDPIXEL.PL/SHUTTERSTOCK.COM



EBC CHAIRS THE UEAPME CONSTRUCTION FORUM

Since 2008, EBC – represented by Philip Van NIEUWENHUIZEN (AFNL, Netherlands) – has chaired the UEAPME Construction Forum, a sectoral committee within UEAPME. The Forum meets twice a year with a full agenda to discuss the most important policy developments regarding micro, small and medium-sized construction companies. Several European sectoral associations and national associations from UEAPME members take part in the Forum.

EBC contributed as a co-organiser to the UEAPME EU Funding event on 23 November 2017, with a focus on available EU Funding opportunities for stakeholders in the construction industry.



EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

EBC President Patrick Liébus joined the European Economic and Social Committee (EESC) in October 2015 with a five-year mandate. He is a full member of the EESC Single Market and Social Affairs Sections. He represents the French Confederation of the micro and small construction businesses (CAPEB) and the Professional Union of micro-companies (U2P). EBC Policy Officer Fernando Sigchos Jiménez was appointed as his alternate.



SBS - SMALL BUSINESS STANDARDS

EBC truly believes in and contributed to the creation of Small Business Standards SBS. To support SBS, in addition to being a founding member, EBC Secretary General Eugenio Quintieri sits on the SBS Board of Directors. SBS represents SMEs in the standard making process at European and international levels from the construction industry and other relevant sectors. EBC is the coordinator of the construction related activities in standardisation for SBS, and is also the organiser of the SBS Construction Forum, where experts meet to discuss the latest developments in standardisation.



CEN TECHNICAL COMMITTEES

EBC Standardisation Technical Officer, Adam Pinney, contributes to the works of CEN TC 241, dealing with standardisation of gypsum and its products. Moreover, EBC strategically leads SBS activities on Building Information Modelling (BIM) by contributing to the works of CEN TC 442, tasked with BIM standardisation.

STANDING COMMITTEE ON CONSTRUCTION

Since 2004 EBC sits as an observer in the Standing Committee on Construction (SCC). This Committee was set up on the basis of the Construction Products Regulation CPR. The Committee – chaired by the Head of the Construction Unit (DG GROW) and composed of Member States' representatives and relevant organisations – examines the implementation and practical application of the CPR directive. EBC also has observer status to the Advisory Group of the SCC, as well as to various other EC-level policy and technical committees.

EUROPEAN SOCIAL DIALOGUE COMMITTEE FOR CONSTRUCTION

The European Social Dialogue Committee for Construction was created in 1999 by FIEC (European Construction Industry Federation) and EFBWW (European Federation of Building and Wood Workers). EBC joined the committee as an observer within the employers' delegation for this committee in 2007.