



FEDERATION NEWS

| | |
|--|-----------|
| EFCA calls for financial burden reduction in EU external contracts | p1 |
| EFCA offers Young Professionals the chance to learn about real European challenges and expand their network | p1 |
| Project Financing Committee seeks experts to address key business issues effectively | p2 |
| EFCA asks Commission to clarify decision on EU funds to Bulgaria | p3 |
| Member associations review business models for the EFCA-FIDIC relationship | p3 |
| EFCA agenda | p4 |

EFCA calls for financial burden reduction in EU external contracts

At the 30 October 2008 seminar, EFCA will explain the adverse effects that some financial management rules for EU external aid projects have on engineering consultancy firms.



The current AIDCO (EuropeAid Cooperation Office) rules and procedures governing the financial management of aid projects are complicated and increasingly place a strain on the firms' financial capacity. They also add to administrative burden and financial risks.

At the seminar, speakers from the private sector will address a series of operational issues, which they want to share with the European Commission and other Financing Institutions.

Speakers from EuropeAid and financing institutions will cover such operational issues from their perspective.

The seminar will highlight best practice and look at the industry's practical recommendations for improving the financial management of EU external contracts.

A programme outline is available at: <http://www.efcanet.org/pages/eventdetail.aspx?id=69485>

Further details and the registration form will be made available shortly.

EFCA offers Young Professionals the chance to learn about real European challenges and expand their network

Building on the success of the 2007 Study Trip to Brussels and the Young Professionals (YP) meeting in Prague last May, EFCA will run a two-day event that brings together YPs to learn about the EU and the impact of EU policies on their business.



The 2008 Young Professionals Study Trip to Brussels will take place on 8-9 October and will give the participants the unique opportunity to visit the European Parliament and meet with some MEPs.

The programme will offer insight into the EU organisation, decision making and its impact on national law and business, as well as EFCA's process of influencing to develop favourable business conditions.

A European Commission speaker will present developments on the Eurocodes and the 'Lead Market Initiative' for Europe, in particular in the area of sustainable construction.

Other sessions will explore ideas for sharing knowledge and debating views about the European 'project' whilst an interactive session will look at inter-generational co-operation and cultural differences.

For further information and to receive the full programme and registration form go the EFCA website at:

<http://www.efcanet.org/pages/eventdetail.aspx?id=61859>.

Project Financing Committee seeks experts to address key business issues effectively

EFCA aims to strengthen its Committee that deals with issues of strategic importance in the use of public private partnerships across Europe.

The Committee, which is meeting 3 to 4 times a year in Brussels, will build on the current work in progress. It will continue to

elaborate EFCA policies to advise the European Commission on the legal framework governing public private partnerships (PPPs), and provide information, guidance and promotional tools, which the member associations may use to educate both clients and firms.

Central priorities of the Committee are:

- defining appropriate project preparation and award procedures for European associations to promote to their national Contracting Authorities,
- exchanging experience in PPP projects in Europe, and
- developing recommendations on contract provisions and project execution for European member firms.

Should you wish to support EFCA and engage with colleague experts, please contact the EFCA Secretariat at: efca@efca.be.

EFCA asks Commission to clarify decision on EU funds to Bulgaria

Following the 23 July 2008 Commission report on the management of EU funds in Bulgaria and the Commission's responses to Bulgaria's failure to properly manage EU aid, EFCA enquired into the concrete implications of the interruption of funding.

Early August, EFCA had a meeting with Commission officials responsible for ongoing pre-accession (ISPA) projects and projects that are preparing the implementation of the 2007-2013 Structural and Cohesion Funds in Bulgaria.



The meeting aimed at gathering information on the impact of the Commission's decision to freeze payments under various financial instruments on the performance of the services and the payment of contracts that are funded under transport, environment and technical assistance EU programmes for Bulgaria.

The Commission confirmed the grave concerns about Bulgaria's absorption capacity and the protection of EU funds (including procurement procedures). The officials also informed which contracts are affected by the Commission's decision to suspend refunds to the Bulgarian authorities.

With regard to firms' request for payment, they said that the Bulgarian administration, acting as Contracting Authority, should make payments in accordance with standard EU procedures and contractual obligations.



Finally, they underlined the urgent need for protective and corrective measures by the Bulgarian government, since various transport infrastructure projects as well as the projects in preparation for the 2007-2013 programming period remain a priority.

The European Commission's report on the management of EU funds in Bulgaria (23 July 2008) is available at:
http://ec.europa.eu/dgs/secretariat_general/cvm/progress_reports_en.htm

Member association review business models for the EFCA-FIDIC relationship

EFCA president Panos Panagopoulos requests the associations' feedback on the report 'The relationship with FIDIC: the way forward'.

In preparation for the impending discussions with FIDIC, the EFCA Board of Directors developed a report which

- identifies the legally viable business models for the FIDIC-EFCA relationship
- defines the characteristics of each business model and the required changes in each Federation, and
- draws conclusions and recommendations regarding the way forward.

The report is submitted to all member associations for their internal consultation. Their responses will feed into the next phase of the EFCA-FIDIC negotiations.

E F C A A G E N D A

| | | |
|--|-----------|-----------------------|
| Working Party on Directive 92/57 (H&S) | Brussels | 16.09.2008 |
| Board of Directors | Stockholm | 18-19.09.2008 |
| Partnership for Development Committee | Brussels | 30.09.2008 |
| Professional Liability Committee | Brussels | .. October 2008 (tbc) |
| Young Professional study trip to Brussels | Brussels | 8-9 October 2008 |
| Public Procurement Committee | Brussels | 13.10.2008 |
| EFCA-FEACO seminar Financial management of EU external contracts | Brussels | 30.10.2008 |
| D&S meeting | Brussels | 07.11.2008 |

Young Professionals Study Trip to Brussels Brussels, 8-9 October 2008

What goes on in the European Institutions?
The impact of EU law on business conditions
EFCA's role in representing the interests of engineering
consultants to the EU





EUROPEAN BRIEFING

INTERNAL MARKET p5

Green public procurement: EC sets the baseline for renewed EU-wide action

Small firms get boost under new plan

Guidelines for member states on how to make public procurement more SME-friendly

Public procurement: infringement procedures against Belgium, France and Ireland

Revision of the Construction Products Directive

Services Directive: member states show different implementation records

EU FUNDS & PROGRAMMES p7

Commission's payment delays persist

42 million euro assistance to Lebanon

LIFE+ 2008 call for proposals

MISCELLANEOUS p8

Commission encourages firms to improve environmental performance

Greening Transport package to drive the market towards sustainability

Creation of a European Research Area

Better access to EU funded research

EIT headquarters to be located in Budapest

More simple and coherent set of EU rules on state aid control

DOCUMENTS & WEB SITES OF INTEREST p10

INTERNAL MARKET

Green public procurement: EC sets the baseline for renewed EU-wide action

The Commission communication on green public procurement (GPP) aims at providing guidance on both reducing the environmental impact caused by public sector consumption and using GPP to increase innovation in environmental technologies, products and services.

The communication lists ten priority sectors for GPP (including construction, transport and energy) due to their promise for environmental improvement, their impact on public expenditure and suppliers as well as other factors such as market availability, economic efficiency etc.

The communication also calls for a common procedure to establish GPP criteria in the priority sectors as well as additional information on products, legal and operational guidance, indicators and future monitoring.



The communication is part of the Action Plan on sustainable production and consumption and sustainable industrial policy.

http://ec.europa.eu/environment/gpp/index_en.htm

Small firms get boost under new plan

The Commission adopted a package of initiatives aimed at making life easier for 23 million European small and medium-sized enterprises (SMEs).



Ten principles in the Small Business Act (SBA) are to guide the implementation of policies at EU and member state level, such as granting a second chance for business failures, facilitating access to finance and enabling SMEs to turn environmental challenges into opportunities.

They will also make it easier for SMEs to participate in the standard-setting process and win public procurement contracts.

Furthermore, the SBA seeks new ways to stimulate interest in entrepreneurship and

cultivate a more entrepreneurial mindset, especially among young people.

Further legislative initiatives relate to

- a new general exemption regulation per category with regard to state aid to increase subsidies granted to SMEs (see page 9);
- a new statute for a European Private Company that will allow a "Société privée européenne" (SPE) to be created and operate according to the same uniform principles in all member states;
- a proposal on VAT that will offer member states the option to apply reduced VAT rates for locally supplied services, including labour intensive services, which are mainly provided by small and medium enterprises;
- an amendment to the directive on late payments (foreseen in 2009).

http://ec.europa.eu/enterprise/entrepreneurship/sba_en.htm

Guidelines for member states on how to make public procurement more SME-friendly

One of the aims of the Small Business Act is to facilitate access by SMEs to public procurement.

Against this background, the Commission prepared a 'European Code of Best Practices Facilitating Access by SMEs to Public Procurement Contracts'.

This Code of Best Practices is expected to help in two ways:

- first, in showing how to make an SME-friendly use of the provisions of the EC Public Procurement Directives;
- second, in highlighting a number of SME-friendly rules and practices at national level, gathered through consultations with Member States and other stakeholders.

http://ec.europa.eu/internal_market/publicprocurement/docs/sme_code_of_best_practices_en.pdf

Public procurement: infringement procedures against Belgium, France and Ireland

The Commission considers that the relevant provisions of the national rules of Belgium, France and Ireland do not implement correctly the Remedies Directives and are, consequently, contrary to Community law.

The French and Belgian national rules contain an exception to the standstill period after the notification of an award decision, which in the Commission's view is too wide and not sufficiently specific.

Therefore, the national legislation in question does not sufficiently ensure that unsuccessful tenderers can find effective legal protection against the award of a public contract at a stage where infringements can still be rectified, i.e. before the conclusion of the contract.

The Irish and Belgian national rules do not ensure that unsuccessful tenderers are informed in time by contracting authorities or entities of the motivation of the award of the contract, in order to be able to take a well reasoned decision on whether to make an application for interim measures. It is thus not guaranteed that an unsuccessful tenderer has, under all circumstances, the possibility to make a 'meaningful' application for interim measures against the award of public contracts.

Therefore the Irish and Belgian rules do not ensure complete legal protection against award decisions at a stage where infringements can still be rectified.

http://ec.europa.eu/community_law/index_en.htm

Revision of the Construction Products Directive

The aim of the proposal is to better define the objectives of Community legislation and make its implementation easier by providing some simplified mechanisms especially addressed to alleviate the administrative

burden for enterprises and, in particular, for SMEs.

The objective of the proposed Regulation is to ensure that reliable information is presented in relation to the performance of products. This is achieved by providing a common technical language to be used by manufacturers when placing products on the market and by public authorities when defining the technical requirements of works. This common technical language is set out in the harmonised technical specifications developed under the Regulation.

The six Essential Requirements of the Construction Products Directive have been extended to seven Basic Works Requirements, including 'Sustainable use of natural resources'.

http://ec.europa.eu/enterprise/construction/cpdrevision/cpd_revision_intro_en.htm

Services Directive: member states show different implementation records

If the Services directive is to meet its objectives and allow businesses to provide services across the EU unimpaired by obstacles, it should be implemented correctly.

The directive was adopted in late 2006 and member states were given three years to put it into practice.

However, a survey gives a mixed picture of the member states' performance and shows that there are vast disparities across the EU, namely the legislative screening, the set up of Points of Single Contact (PSCs) and the electronic interoperability of the whole system.

http://www.eurochambres.be/DocShare/docs/1/KDHFJPCBHLNMFGBODEHPAFFOKHY6SBGAYHHB4081VYBD/EUROCHAMBRES/docs/DLS/PolicySurvey_July2008_FINAL-2008-00692-01.pdf

EU FUNDS & PROGRAMMES

Commission's payment delays persist

The European Ombudsman expressed his concern over the European Commission's problems in paying its bills on time.

Over the last seven years, the Ombudsman investigated more than 30 late payment complaints from NGOs, companies, research centres, universities and associations.

In December 2007, he therefore launched an investigation into the Commission's payment policy.

Among the most important results of this investigation were the following:

- late payment continues to constitute a serious problem in the Commission although progress has been made;
- in 2007, there were delays involving more than 22 % of all payments made by the Commission;
- in 2007, the average delay amounted to 48 days;
- late payments especially concerned smaller amounts for citizens or small and medium-sized companies or associations.

The Ombudsman announced that he would carry out a new investigation in early 2009 when figures for the Commission's performance in 2008 become available.

<http://www.ombudsman.europa.eu/decision/en/07oi5.htm>

http://ec.europa.eu/enterprise/regulation/late_payments/index.htm

42 million euro assistance to Lebanon

Core sectors for this assistance under the European Neighbourhood Policy are the improvement of rule of law, a stronger private sector and reconstruction in the area of Nahr el-Bared in Northern Lebanon.

Under the European Neighbourhood Policy the volume of assistance to Lebanon will be 187 million euro between 2007 -2010.

The three priorities within the 2008 Action Programme are:

- Enhancing private sector competitiveness (strengthening services and financial instruments in support of enterprises with a specific emphasis on innovation);
- Supporting local development in Northern Lebanon (promoting sustainable development especially in the agricultural sector);
- Modernising the Lebanese justice system (increased use of information technology and training of judges).

<http://www.dellbn.ec.europa.eu/>

LIFE+ 2008 call for project proposals

More than 207 million euro has been made available for the 2008 call which covers three areas: nature and biodiversity, environmental policy and governance and information and communications.

Applicants must send their proposals to member state authorities by 21 November 2008.

Project proposals will then be evaluated by the Commission between January and July 2009, before grant agreements are signed by 31 December 2009.

<http://ec.europa.eu/environment/life/funding/lifep/us/call/index.htm>

MISCELLANEOUS

Commission encourages firms to improve environmental performance

In the framework of an action plan for sustainable consumption and production, the Commission proposes to revise the European Eco-Management and Audit Scheme (EMAS) regulation.

Almost 6,000 companies and organisations currently benefit from EMAS certification.



The new regulation aims, among other objectives, to give a boost to small and medium-sized businesses on this matter and to open the system to organisations situated outside the EU.

The system will remain voluntary and will still be based on a standard environmental management system, as embodied in the ISO 14001 standard to which the EMAS refers.

The system will also be more standardised within the EU with a single set of rules and simplified legislation which will make its use easier and more accessible.

http://ec.europa.eu/environment/emas/index_en.htm

Greening Transport package to drive the market towards sustainability

The Commission put forward a package of new 'Greening Transport' initiatives to steer transport towards sustainability.

The package has five parts:

- The *Greening Transport Communication* summarises the whole package and sets out what new initiatives the Commission will take in this field until the end of 2009;
- The *Greening Transport Inventory* describes the EU action already taken to green transport and on which this package builds;
- The *Strategy to Internalise the External Costs of Transport* focuses on making transport prices better reflect their real cost to society so that environmental damage and congestion can be reduced while boosting the efficiency of transport and ultimately the economy as a whole;
- The Proposal for a *Directive on road tolls for lorries* would enable member states to reduce environmental damage and

congestion through more efficient and greener road tolls for lorries;

- The *Communication on rail noise* sets out how to reduce the noise from existing rail freight trains by 50% and the measures the Commission and other stakeholders will need to take in the future to achieve this.

http://ec.europa.eu/transport/greening/index_en.htm

Creation of a European Research Area

The Commission adopted two proposals aimed at creating a 'fifth freedom' in Europe - the free movement of knowledge.

In this context, 'Developing world class research infrastructures' is put forward as one of the pillars of an ambitious European Research (ERA) vision.

The proposed legal framework will make it easier to set up European Research Infrastructures.

The second Communication - 'Towards Joint Programming in Research: Working together to tackle common challenges more effectively' - proposes that member states first identify a limited number of key challenges on which to focus their efforts, and then, agree on a common vision and implementation strategy for each area.

http://ec.europa.eu/research/era/index_en.html

Better access to EU-funded research

The open access pilot project is an important step towards achieving the 'fifth freedom', the free movement of knowledge.

The pilot project will give online access to EU-funded research results, primarily research articles published in peer reviewed journals, after an embargo period of between 6 and 12 months.

It will cover around 20% of the FP7 programme budget in areas such as health, energy, environment, social sciences and information and communication technologies.

Details will be available by 01.09.2008 at:

http://ec.europa.eu/research/science-society/open_access

EIT headquarters to be located in Budapest

The European Institute of Innovation and Technology (EIT) is a new initiative, which aims to become a flagship for excellence in European innovation in order to face the challenges of globalisation.

The EIT is the first European initiative to fully integrate the three sides of the 'Knowledge Triangle', Higher Education, Research, and Business Innovation.

http://ec.europa.eu/eit/index_en.htm

More simple and coherent set of EU rules on state aid control

The Commission adopted a Regulation, giving automatic approval for a range of state aid measures and so allowing member states to grant such aid without first notifying the Commission.

In June 2005 the Commission launched a comprehensive reform of state aid rules and procedures, targeted at creating jobs, boosting competitiveness and improving the environment.

The new Regulation authorises aid in favour of SMEs, research, innovation, regional development, training, employment and risk capital. The Regulation also authorises environmental protection aid and aid measures promoting entrepreneurship.

This new General Block Exemption Regulation reduces the administrative burden for public authorities, the beneficiaries and the Commission and is in line with the Small Business Act.

http://ec.europa.eu/comm/competition/state_aid/reform/reform.cfm



DOCUMENTS & WEB SITES OF INTEREST

EU LEGISLATIVE INITIATIVES

Proposals & Regulation

Proposal for a regulation revising the EU Ecolabel scheme

The proposal strengthens the scheme by widening the number of products covered and making the system less costly and bureaucratic. It will encourage manufacturers to go beyond mandatory product standards.

http://ec.europa.eu/environment/ecolabel/revision_en.htm

Proposal for a regulation establishing a facility for rapid response to soaring food prices in developing countries

The fund would be worth 1 billion euro and would operate for two years, 2008 and 2009. This money would be in addition to existing development funds and would be taken from unused money from the European Union's agricultural budget.

The adoption of this proposal by the Parliament and the Council, according to the co-decision procedure, must take place in a single reading.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0450:FIN:EN:PDF>

REPORTS

The engineering consultancy sector in Europe

Report prepared on behalf of ING Bank. It covers the following countries: Belgium, Czech Republic, Denmark, France, Germany, the Netherlands, Poland, Romania, Sweden and U.K.

<http://www.efca.be/downloads/archive/197f6c66-1a96-4ce3-b6b8-f4b2550b2a97.pdf>

Final accounts for the financial year 2007 of the 7th, 8th and 9th European Development Funds

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0490:FIN:EN:PDF>

Taxation trends in the EU - 2008 edition

The report contains a detailed statistical and economic analysis of the tax systems of the Member States of the European Union and Norway.

The data are presented within a unified statistical framework (the ESA95 harmonised system of national and regional accounts), which makes it possible to assess the heterogeneous national tax systems on a fully comparable basis.

Country chapters give an overview of the tax system in each of the 28 countries covered, the revenue trends and the main recent policy changes. Detailed tables allow comparison between the individual countries and European averages.

Data cover the 1995-2006 period and are presented both as a percentage of GDP and as a percentage of total taxation.

http://ec.europa.eu/taxation_customs/taxation/gen_info/economic_analysis/tax_structures/index_en.htm

Internal Market Scoreboard

Member states have never performed better in implementing agreed Internal Market rules into national law, according to the European Commission's latest Internal Market Scoreboard. On average only 1.0% of Internal Market Directives for which the implementation deadline has passed are not currently written into national law, down from 1.2% in December 2007.

http://ec.europa.eu/internal_market/score/index_en.htm

EU budget 2007 - Financial Report

The report offers two angles of analysis on the implementation of the budget: first by main heading of the financial perspectives 2007–13, then by heading and Member State. Annexes provide you with detailed historical data both on the revenue and expenditure side of the budget, including Member State-specific allocated expenditure records.

The latest data on EU spending shows the growing trend for higher investment in long-term economic progress and employment. The Financial Report 2007 also reveals how the first budget of the new programming period 2007-2013 and of an enlarged EU-27 saw the share of funds for new members increase, while the biggest overall recipients remained the same as 2006. 2007 also saw 227million euro lost in unspent funds from the previous programming period (2000-2006). Under the n+2 rule, Member States lose committed money that is not claimed as a payment within two years.

http://ec.europa.eu/budget/library/publications/fin_reports/fin_report_07_en.pdf

2007 annual report on the protection of the Communities' financial interests and the fight against fraud

The report sets out the existing fraud control measures and highlights the most significant steps taken by the Member States and the Commission in 2007 to improve prevention and the fight against fraud.

http://ec.europa.eu/anti_fraud/reports/index_en.html

First evaluation of the Europass initiative

Europass is a tool to help people to make their skills and qualifications clearly and easily understood in Europe (European Union, EFTA/EEA and candidate countries).

The Europass portfolio consists of five documents. The Europass CV (ECV) and the Europass Language Passport can be completed by citizens themselves, namely through an assisted online tool that is made available in 26 languages on the Europass portal. The Europass Diploma Supplement, the Europass Certificate Supplement and Europass Mobility on the other hand are documents issued to citizens by competent organisations once they have completed specific learning experiences.

<http://europass.cedefop.europa.eu/>

CONSULTATIONS

Towards a comprehensive and ambitious post-2012 climate change agreement

Stakeholders and the general public are invited to put forward their views on a number of critical issues, such as mid-term emission reduction targets for developed countries and emission reduction actions for developing countries, adaptation to climate change, technology cooperation and finance. The results of the survey will help shape the EU's position on the global post-2012 agreement

Deadline: 10 October 2008

<http://ec.europa.eu/yourvoice/ipm/forms/dispatch?form=climatepost2012>

Guide to cost-benefit analysis of investment projects

This guide prepared by the Commission is particularly addressed to people working on cost-benefit analysis of "major projects" co-financed by EU funds in the framework of Cohesion Policy.

The first chapter presents the scope and objectives of cost-benefit analysis, together with the legal framework applicable to the appraisal of "major projects". Chapter two proposes an agenda for the project examiner and illustrates the six steps for a good appraisal. The third chapter outlines the application of cost-benefit analysis to specific fields of intervention (e.g., transport, environment). Chapter four presents five case studies (road, rail, waste, water and industrial investments). In addition, the new guide includes annexes discussing technical issues (e.g., the choice of the discount rate, risk assessment), a glossary and a bibliography.

http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide2008_en.pdf

Putting Small Business First - 2008 edition

The guide provides a handy summary of EU SME policy, its key initiatives and programmes, and underlines the importance of making Europe a better place for SMEs to do business.

The 2008 version of the Guide indicates how SMEs can get involved, and where they can turn to for additional information.

http://ec.europa.eu/enterprise/newsroom/cf/itemlongdetail.cfm?item_id=1619

Doing Business 2008

Doing Business presents quantitative indicators on business regulations and the protection of property rights that can be compared across 178 economies - from Afghanistan to Zimbabwe - and over time.

The report, which monitors business regulations and their enforcement, is based on ten indicators such as the ease of starting a business, employing workers, getting credit and paying taxes.

<http://www.doingbusiness.org/features/DB2008Report.aspx>

Construction output down by 0.6% in the euro area, down by 1.5% in the EU27 - June 2008 compared with May 2008

http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP_PRD_CAT_PREREL/PGE_CAT_PREREL_YEAR_2008/PGE_CAT_PREREL_YEAR_2008_MONTH_08/4-20082008-EN-AP.PDF

EDITORIAL OFFICE: Panos Panagopoulos, Andy Walker, Jan Van der Putten
EDITOR: Anne Croisiau
ADDRESS: EFCA Secretariat, Ave. des Arts, 3/4/5, B – 1210, Brussels,
Phone: +32-2-209.07.70
Fax: +32-2-209.07.71
E-mail: efca@efca.be
<http://www.efcanet.org/>