



## FEDERATION NEWS

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### **Proposed standardisation work takes definitive step forward**

Following a consultation in late December 2008 – early January 2009, the 30 national standards bodies of the EU-27 and the 3 European Free Trade Area countries agreed to establish a CEN/TC (European Committee for Standardisation/Technical

Committee) on engineering consultancy services.

Numerous initiatives are underway that aim at removing obstacles for firms to work in other member states and at creating a level playing field for companies.

Problems linked to cross-border services also result from differences in terminology, used by clients and project partners. All service providers encounter such language problems and sometimes understand too late what is expected and required, in consequence resulting in additional costs and risks.

One appropriate move to facilitate transnational projects is the development of a common terminology of project stages. Indeed, a common definition of the content of services in each project stage would facilitate a common understanding of all parties' activities and responsibilities in cross-border projects (i.e. engineering consultancies, contractors, insurers, and client).



Based on the outcome of the EFCA-AFNOR feasibility study on standardisation in the field of engineering consultancy services in Europe, the French standards body AFNOR developed a proposal to establish a CEN/TC on engineering consultancy services.

The proposed work programme entails two engineering sectors, namely engineering consultancy services for construction and for industrial production.

The European-wide acceptance of the proposal is an important opportunity for promoting our industry throughout Europe. Moreover, the results of the CEN/TC work will provide a tool in the interest of both clients and firms.

### **Two EFCA committees outline 2009 action plan**

*Both the European Public Market (EPM) and the European External Aid (EEA) committee set their 2009 agenda and agreed the activities that they would implement during the coming year.*

The EPM committee's scope concerns the Internal Market and is extended to include matters relating to contract conditions in addition to procurement issues as well as matters of award of PPP projects and relations with contractors and concessionaires in the context of DB and PPP projects.

The January 2009 committee meeting identified 12 key subjects and defined its 2009 actions and deliverables to promote the best procurement approaches and award procedures for the industry:

- the committee will continue to elaborate guidance on best practice in public procurement - compliant with the EU legal framework - in the member states, and will elaborate basic principles for general contract conditions;
- it will take the initiative to develop proposals for the evolution of the public procurement framework including innovative solutions for increasing the flexibility, speed and efficiency of the procedures, taking other procurement systems (e.g. QBS, alliance contracting) into account;

- it will develop recommendations for contract conditions for the provision of consulting services in the internal market;
- in line with the objective of both the public procurement Directive and the Services Directive to guarantee the opening of the Internal Market, the committee will continue to look into standardisation, Eurocodes and recognition of qualifications (cross-border mobility);
- the committee will finalise the European Code of Conduct, which is to encourage the industry to meet quality expectations of clients from across Europe and to ensure the industry's high profile.

The EEA committee addresses questions of efficiency and effectiveness relating to the procurement and execution of EC service contracts for external actions, i.e. including recommendations on appropriate consultant contract conditions.

At its December 2008 meeting, the committee looked into divergences between its current key issues and the EC's development policies, evolution and agenda. Main challenges relate to

- the development of proposals for the short and long-term improvement of the procurement and contract conditions for external aid taking into account the new patterns of aid allocation (cf. budget and sectoral support and devolution to beneficiaries);
- the support of member associations and their firms in increasing their participation in external aid, especially in the wake of the financial crisis.

At its February 2009 meeting, the committee welcomed the new Chair, Martin Güldner. Vice-Chair Ines Ferguson will ensure the continuity of the committee's activities.



Martin Güldner

Ines Ferguson

The meeting refined the committee's communication strategy and objectives, as well as its 2009 action plan:

- the committee will establish a constructive and long-term relationship as a valued partner with all EC Directorates General (DG) that are involved in external aid, (i.e. not only the EuropeAid Cooperation Office but also the EC Delegations, DG Enlargement, DG External Relations and DG Development) and initiate the dialogue with the European Parliament;
- to build up its own capacity, the committee will promote its successes towards the national associations and the firms, and invite active support for its further advocacy of the industry;
- to increase the firms' involvement, the committee will elaborate a practical guide to working with the European Commission on external aid projects;
- the committee will enhance its interaction with FIDIC, in particular with regard to the promotion of the FIDIC contracts.

Please contact the secretariat ([vdalle@efca.be](mailto:vdalle@efca.be)) if you are interested in joining and supporting the committees.

### ***Personally interested in raising the political profile of the industry at European level?***

*The European Commission is looking at the European construction industry's potential to offer technical and managerial solutions for*

*achieving sustainability in the built environment.*

*Representing an industry that has the expert know-how in these domains, EFCA needs to make its views heard to the European policy maker.*

The Commission's Lead Market Initiative (LMI) aims at defining policy instruments that create the right conditions for innovation-driven markets.

Within the scope of 'sustainable construction', it is looking at changes to regulation, standardisation and public procurement practices which may initiate a transformation from a cost-driven market to a value-driven market – one of the principal long-standing objectives of the consulting sector.

The Commission invites the views from the stakeholders on:

- *Public Procurement*: is the regulatory framework providing opportunities for public clients to encourage innovative proposals with respect to environmental criteria, without the risk of compromising best value or accountability?
- *Sustainability criteria and Life Cycle Costs method*: how may public authorities apply these criteria in their tendering practices in a more objective way?
- *Standards*: how can standards integrate the various aspects of sustainable development and innovative technologies?
- *Eurocodes* for structural design (safety and security): how to expand the scope of the Eurocodes to integrate energy and environmental design?

All European decisions in the above areas will impact upon business conditions and market developments.

It is therefore important that EFCA voices our industry's views to influence the European policy maker, who is not only regulator, but also facilitator and customer.

Please contact Jan Van der Putten ([jvanderputten@efca.be](mailto:jvanderputten@efca.be)) if you are interested in engaging with European politics and joining the EFCA pool of 'sustainable construction' experts.

**White Book on innovation to highlight that our industry is constantly innovating**

*In the European Year of Creativity and Innovation, EFCA underlines the extraordinary innovation potential that exists at the heart of our industry.*



The 2000 Lisbon Strategy for Growth and Jobs sets a comprehensive array of policies and reforms designed to make Europe's regulatory and economic framework more innovation friendly.

The French member association Syntec-Ingénierie identified persistent deficiencies and obstacles and developed a series of recommendations to fully exploit our industry's potential.

In June 2008, it launched the White Paper 'Engineering consultancy and innovation', which was well received by awarding authorities and clients as well as the firms and their project partners.

WHITE PAPER  
**ENGINEERING CONSULTANCY  
AND INNOVATION**



The White Paper will prove useful to keep innovation visible and high on the agenda in all European countries.

In particular, key global challenges such as climate change and the EU's deepening economic slowdown call for ways to both find sustainable solutions and keep the industry competitive.

In this respect, EFCA translated the French publication into English in order to strengthen the industry's voice at European level and foster innovation through the concrete reforms that are listed in the White Paper. The White Paper is jointly printed with Syntec-Ingénierie.

**EFCA Board looks at implementation of the Business Integrity Management System (BIMS)**

*The EFCA Board of Directors invited Renko Campen (DHV, NL) to learn about the firm's day-to-day experiences with FIDIC's self-regulatory integrity management tool.*

Renko Campen started with a presentation of the pillars of BIMS.

He set out the complex background to explain why consultants should apply business integrity management in all of their work. He described the varying roles that all project actors can take, i.e. givers, takers and facilitators, and the associated shifts in balance of power throughout the project.

Renko Campen illustrated his firm's implementation procedures, the lessons learned and the continuous efforts to integrate the business principles. In the ensuing debate, he emphasised the critical importance for firms of acting in a transparent manner and having in place zero-tolerance policies and adequate procedures designed to prevent corruption.

He urged all project actors to recognise that a constant dialogue is needed to ensure that the risks for corrupt involvements can be minimised.

Firms need to recognise that they are vulnerable and that the potential for damage

to them is considerable. They are to inform their clients at the highest level about issues that arise in specific instances so that they would not become a facilitator for any abuse.

Transparency of procurement procedures is the key issue. However, public clients have difficulties in developing practicable criteria and evaluation procedures for handling other award criteria than price.

In the view of Renko Campen, adoption of integrity requirements as a pre-requisite for bidding may contribute to transparent procedures that minimise corruption in the procurement process.

### ***EFCA and Architects' Council of Europe join efforts to secure appropriate guidance on the Temporary or Mobile Construction Sites Directive***

*EFCA and the Architects' Council of Europe (ACE) submitted further input into the non-binding guidance for the member states on the correct interpretation and implementation of Directive 92/57/EEC.*

In 2008 the Commission contracted Eurogip as external consultant to prepare the guide under the direction of a tripartite steering committee (labour inspectors, employers' and workers' representatives). Other stakeholders were invited to delegate advisory experts into the committee. Both EFCA and ACE nominated advisors to represent the perspective of the designers' community as laid down earlier in their policy papers on 92/57/EEC.

EFCA and ACE joined their respective working parties to discuss the successive drafts of the guide, and submitted general comments, tracked changes to the wording and practical examples of health and safety coordination. Both the Commission and Eurogip welcomed the input on organisational aspects, as it complements the expertise of labour inspectors. The EFCA-ACE comments of last October were also strong on the clarification of "project preparation", a term in the Directive which

does not discriminate design from preparation by the contractors. It was thus aimed at setting out the core value of designing for safety and at delineating equitable responsibilities of other project parties.

At the end of January 2009, EFCA and ACE jointly examined the second draft and were pleased to note that most EFCA-ACE comments had been taken into account and misinterpretations about the role of designers removed. It was accepted that the contribution of design to the principles of prevention, as laid down in the Framework Directive 89/391/EEC, is limited to what is reasonably practical and can be foreseen in the design stage. More comments were submitted to enhance the practical value and the adequacy as reference for national legislators.

Eurogip and SLIC, the Senior Labour Inspectors Committee, plan to validate the guide on three different construction sites this summer. The feedback received, together with the January 2009 comments, will result in a third and final draft to be presented by the end of August. Still better guidance is needed on the health & safety plan and the health & safety file as key documents for the safe construction and maintenance of a building.

While the modular structure of the guide can hardly be improved any more before Eurogip's mandate elapses, EFCA and ACE will continue to monitor the finalization and subsequent translation of the guide.

[http://ec.europa.eu/employment\\_social/health\\_safety/slic\\_en.htm](http://ec.europa.eu/employment_social/health_safety/slic_en.htm)

[http://osha.europa.eu/en/good\\_practice/sector/construction](http://osha.europa.eu/en/good_practice/sector/construction)

## ***Presidents meeting addresses visibility of engineers and criticizes current Bologna agreement***



*On 26 February 2009 the Presidents of the European engineering federations met for the second time to explore whether there is scope for common initiatives.*

The meeting was informed that CEN (European Standardisation Organisation) decided to establish a TC (Technical Committee) on engineering consultancy services (TC 359) (see article).

Topics discussed mainly touched on the promotion of the visibility of engineers and the engineering education systems in the framework of the Bologna agreement.

SEFI (European society for engineering education) endeavours to make institutions speak with industry when developing engineering curricula. SEFI called for a new Bologna agreement to allow all students in engineering to start with an initial three years education after which those opting for research engineering do one more year and those opting for civil engineering do two more years towards a master's degree. It was highlighted that lifelong learning (LLL), also known as continuous education, is a requirement in some countries and an option in other countries.

With a view to increasing the development of engineers at European level, FEANI (European federation of national engineering associations) initiated a dialogue with DG Education. The latter proposed to establish a working group on engineering and research. FEANI invited the other federations to join the dialogue with the Commission.

## ***Construction industry representatives discuss concerted responses to European institutions' initiatives***

*The European Construction Forum (ECF) is a platform for cooperation on a voluntary basis on issues of common interest between European organisations, representing the key players in the construction sectors.*

Members of ECF are: ACE (Architects' Council of Europe), CEMBUREAU (European Cement Association), CEPMC (Council of European Producers of Materials for Construction), EAPA (European Asphalt Pavement Association), ECCE (European Council of Civil Engineers), EFBWW (European Federation of Building and Woodworkers), FIEC (European Construction Industry Federation), UEPC (Union of Developers and House Builders) and EFCA.

The 24 February 2009 ECF meeting debated three topics:

- Forum for Construction in the European Parliament (FOCOPE): the federations agreed to define what the construction industry would like the European Parliament and the new European Commission to do for the construction industry after the June 2009 elections
- Construction Products Directive (CPD) / Construction Products Regulation (CPR): the CPD will be replaced by a CPR which is currently being debated in the Internal Market Committee in the European Parliament. The vote is expected to take place at the end of April.
- Lead Market Initiative (LMI) – sustainable construction: FIEC, ACE, UEPC and EFCA agreed to resume discussions on insurance issues. FIEC prepared an overview of all action being undertaken under the LMI heading sustainable construction. The meeting questioned the coherence and the final goals of the initiatives launched under LMI.

<http://www.ecf.be>

D&S meeting	Rome	13.03.2009
Board of Directors meeting	Paris	19-20.03.2009
Liability & Insurance Committee	Paris	02.04.2009
European External Aid Committee	Brussels	22.04.2009
European Consulting Future Committee	Brussels	23.04.2009
European External Aid Committee	Brussels	04.06.2009
Board of Directors meeting	Brussels	04.06.2009
EFCA GAM	Brussels	05.06.2008
European Public Market Committee	Brussels	15.06.2009
European External Aid Committee	Brussels	22.10.2009

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### ***2009 EFCA General Assembly meeting***

*The 2009 EFCA General Assembly Meeting (GAM) will take place in Brussels on 5 June 2009.*

ORI, the Belgian host association is inviting a guest speaker on Thursday, 4 June, to address business challenges facing the engineering consultancy sector. It is understood that this presentation will offer food for further debate between the industry's representatives and invited guests from the European institutions during the dinner.

The 5 June 2009 GAM will decide a number of significant matters, including the 2008 accounts and the 2009 and 2010 budgets, the evolution of the FIDIC-EFCA relationship and the composition of the new Board of Directors.

The president will present his report on progress in relation to the 2008-2011 Forward Plan and his vision of the future and the committee chairs will comment on the status of their activities.

EFCA and ORI are inviting you to participate in this major forum, which offers the opportunity for an interchange of the European industry's experiences and bringing recommendations to its representational federation.



## EUROPEAN BRIEFING

### THE CRISIS AT THE HEART OF DISCUSSIONS

Commission recognises need for accelerated procurement procedure

More time to finalise 2000-2006 Structural Fund projects

Decision delayed on five billion recovery plan

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### *The crisis at the heart of discussions*



*Are national plans and the proposed European Commission strategy appropriate actions to manage the crisis?*

*And which coordinated response, having a rapid impact on the economy, is needed at*

*European level?*

### European framework for economic recovery measures

In December 2008, the heads of state and government of the 27 EU member states endorsed the principle of the 200 billion euro package - representing the equivalent of 1.5% of the EU's GDP - proposed by the European Commission. However, the EU, with a market spread over 27 countries and a currency shared by 16 of those countries, has no common tax policy, no common social policy and no economic governance.

The major part of the European recovery package, i.e. 85% of the total amount, is made up of the different recovery plans in the various member states. The EU contribution, 30 billion euro, is taken from:

- loans from the European Investment Bank (EIB),
- existing credit from the European Structural Funds (acceleration of advances to member states), and
- the EU's limited own resources, which is only just more than 1% of the accumulated GDP of the 27 member states.

Until now, no agreement is yet reached on the financing of the EU contribution to the recovery package.

Moreover, the Commission's capacity to act as coordinator between the global plan and national actions is limited.

The 2009-2011 European Investment Bank (EIB) activity plan foresees a 30% increase in the total volume of its loans. Priority areas are: aid for SMEs, the energy and climate change package (including a clean transport facility for the automotive and other transport industries), and support to SMEs through the local banking sector in Central and Eastern Europe and candidate countries. This is expected to generate additional investment worth 72 billion euro in 2009 and 2010.

<http://www.efcanet.org/pages/news.aspx?item=9786>

### National plans

The European Economic Recovery Plan, approved by the European Council in

December 2008, asked member states to contribute measures equalling 1.5% of Europe's GDP (1.2% from member states' budgets).

It is estimated that the anticipated budgetary action over the next two years, 2009 and 2010, would represent between 3% and 4% of GDP.

European governments each announced their own individual measures, and their budgetary support to economic activity differs widely from country to country. The first priority is given to aid businesses, followed by expenditure on public infrastructure. In the former, the aim is to avoid waves of companies going bankrupt and massive job cuts. In the latter, it is to prevent a slowdown in the construction industry.

Other measures include reductions in indirect tax and at a second level supporting household purchasing power.

Also, some state aid plans for national businesses appear to go against the single market principles and created controversy on protectionism.

These measures are completely separate from the operation carried out by member states to guarantee the solvency and lending capacity of their banks. At the beginning of 2009, the Commission estimated that a sum equivalent to 6% of the EU's GDP was injected into the financial sector (through recapitalisation or cash flow). The guarantees allocated to this sector in the EU are around 19% of GDP.

<http://www.efcanet.org/pages/news.aspx?item=9787>

#### More negative spillovers of the downturn

Many member states will exceed, and some by a large margin, the budget deficit threshold of 3% of GDP as foreseen by the Stability and Growth Pact. The pact is a commitment taken by countries in the euro-zone to maintain a balanced budget.

According to the European Commission, the budget deficit in the EU is expected to reach 4.8% of GDP in 2010, the highest level in 15 years.

The unemployment rate in the EU is expected to reach 8.75% over the year (9.25% in the euro-zone) and continue rising in 2010.

Although European governments have been injecting money into the banking sector (ca. 300 billion euro for recapitalisation - and 2.4 trillion euro in the form of guarantees since September 2008), fear that another shock may shake up the banking sector even further has not been excluded.

#### More concerted actions needed to achieve breakthroughs in reversing the crisis

The European Commission is expected, on 4 March, to adopt its contribution to the 19 and 20 March European Council.

The position that will be taken will be based on four major themes:

- review of financial rules
- economic recovery plans
- preparation of a strong and operational message which the EU will present to the G20, and
- the demanding expectations of EU citizens in this time of crisis: a dynamic approach to social problems and unemployment.

[http://ec.europa.eu/economy\\_finance/thematic\\_articles/article13727\\_en.htm](http://ec.europa.eu/economy_finance/thematic_articles/article13727_en.htm)

#### ***Commission recognises need for accelerated procurement procedure***

*The Commission recognises that the exceptional nature of the current economic situation can justify the use of the accelerated procedure, reducing considerably the overall time limit of the procedure from 87 days to 30 days.*

*Such presumption of urgency should apply throughout 2009 and 2010 for all major public projects.*

The Commission is expressing the view that the economic crisis creates a presumption of urgency such that contracting authorities are justified in using the relevant accelerated procurement procedure.

This expression of view by the Commission, however, does not change the law.

Moreover, it is not entirely clear whether the Commission intends its comments to be applied only to restricted procedure procurements or to restricted and negotiated procedures as well.

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/2040&format=HTML&aged=0&language=EN&guiLanguage=en>

### ***More time to finalise 2000-2006 Structural Funds projects***

*385 – out of 555 – programmes co-financed by the four Structural Funds will be extended.*

Programmes co-financed by the European Structural Funds under the 2000-2006 programming period should have been closed by 31 December 2008.

The European Commission decided to extend the deadline by six months, to 30 June 2009.

This flexibility will enable the member states to implement and finalise more projects with funds still available at the end of 2008.

The Commission hopes that this money will be invested in high-return sectors, such as energy efficiency and support for clean technologies 'to boost sectors like the construction and automotive industries'.

These measures are part of a range of measures in response to the economic crisis. One of the most important was the increase in the budget for project pre-financing in 2009, for which a further 6.3 billion euro was made available to the member states.

These are not additional credits (the total allocation for each state remains the same), but credits made available at an earlier date with the aim of speeding up programme implementation.

### ***Decision delayed on five billion euro recovery plan***

*On 19 February the Commission presented a new list of projects in the area of electricity and gas interconnections, offshore wind and carbon capture and storage (CCS), and proposed a 3.75 billion euro contribution from the EU budget (instead of 3.50 billion euro) and 1.25 billion euro for rural development.*

The projects listed add up to 1,365 million euro for gas interconnection and 725 million euro for electricity interconnectors. The Commission also proposed 10 million euro for 'small island projects'.

500 million euro would be made available for five offshore wind projects.

CCS projects total 1,150 million euro, with the individual projects each receiving 200 million instead of 250 million euro.

The Council and the Parliament are now to negotiate, and it is expected that the 16 March General Affairs Council session will decide both the list of projects and the financing options.

## **INTERNAL MARKET**

### ***Pre-commercial procurement: under-exploited driver of innovation-led growth?***

*The European Parliament supports the proposed risk/benefit sharing pre-commercial procurement model as one of the drivers of innovation.*

Pre-commercial procurement focuses on products and services which are not yet available on the market and for which a certain amount of development and/or research work is still needed.

The public and private sector share the risks and benefits of picking up exploratory research.

The parties should agree to take responsibility for the risks which each is in

the best position to manage, and to maintain a continual liaison to ensure that no risk arises or escalates without being identified and mitigated.

Also, the allocation of intellectual property rights arising out of the project, and arrangements for their management need to be considered carefully on a practical and commercial basis before the project is started.

The European Parliament considers that pre-commercial procurement may drive forward innovative procurement, but also recognises that the public authority needs to have the attributes of the intelligent and educated customer. The European Parliament is calling for the promotion of best practice and training for procurement managers.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0799:FIN:EN:PDF>

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+REPORT+A6-2009-0018+0+NOT+XML+V0//EN>

## EU FUNDS & PROGRAMMES

### ***Investment facility for the EU neighbourhood***

*The Neighbourhood Investment Facility Trust Fund Agreement will allow member states to provide additional funds to the Neighbourhood Investment Facility (NIF), a key lever of the European Neighbourhood Policy (ENP).*



The Neighbourhood Investment Facility (NIF) priorities are to support very large investment projects for infrastructure in the ENPI (European Neighbourhood and Partnership Instrument) region (Algeria, Israel, the occupied Palestinian Territory,

Armenia, Jordan, Syria, Azerbaijan, Lebanon, Tunisia, Belarus, Libya, Ukraine, Egypt, Moldova, Georgia and Morocco), focusing on transport, energy, and environment but also social and private sectors.

The NIF Trust Fund is a fundamental step to achieve a partnership bringing together grants from the European Commission and the member states with loans from European public Finance Institutions as well as own contributions from the ENP partner countries.

[http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment\\_en.htm](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment_en.htm)

### ***Increase in EC support to Serbia***

*An increase in European aid funds for pre-accession are planned for this year to a total of 400 million euro.*

In 2008, the Delegation in Belgrade took over responsibility for managing financial and economic assistance programmes to support EU-oriented reforms in Serbia.

There are currently about 100 ongoing projects amounting to around 210 million euro.

[http://ec.europa.eu/enlargement/potential-candidate-countries/serbia/financial\\_en.htm](http://ec.europa.eu/enlargement/potential-candidate-countries/serbia/financial_en.htm)

<http://www.europa.org.yu/code/navigate.php?Id=1>

### ***New assistance package to Iraq of 72.6 million euro***

*The new assistance package takes into account Iraqi priorities and resources as well as complementing activities of other international donors.*

42 million euro will be dedicated to displaced Iraqis inside the country or in the neighbouring Jordan and Syria. Another envelope of 30.6 million euro is divided across three sectors: technical assistance to Iraqi ministries, upgrading of

medical emergency services and blood banks and improved management of the water and sanitation sectors.

[http://ec.europa.eu/external\\_relations/iraq/index\\_en.htm](http://ec.europa.eu/external_relations/iraq/index_en.htm)

### **IMF-EC Technical Assistance Partnership Agreement**

*The IMF-EC agreement sets the provisions for collaboration concerning the technical assistance that the two institutions provide at international level.*

The Framework Agreement will apply to programmes and actions administered by the IMF and financed or co-financed by the European Commission.

The agreement is important because it facilitates the conclusion of trust fund agreements by solving administrative issues and providing a user-friendly contract template.

[http://ec.europa.eu/europeaid/work/procedures/implementation/international\\_organisations/other\\_international\\_organisations/documents/fa\\_ec\\_imf\\_signed\\_12\\_january\\_2009.pdf](http://ec.europa.eu/europeaid/work/procedures/implementation/international_organisations/other_international_organisations/documents/fa_ec_imf_signed_12_january_2009.pdf)

## **MISCELLANEOUS**

### **European Court of Auditors underlines need for an efficient and effective audit**

*The member states face global challenges, such as the current financial crisis, climate change and sustainability. They put pressure on public finances and require the EU to spend its resources wisely on behalf of taxpayers.*

The Court's 2009-2012 strategy is designed around two priority goals: maximising the overall impact of its audits; and increasing efficiency by making best use of resources.

In 2009, special reports will be published under each heading of the financial framework. These will include among others:

- the involvement of unofficial actors in Community cooperation and development;
- pre-accession aid to Turkey;
- the structural pre-accession instrument.

<http://eca.europa.eu/portal/pls/portal/docs/1/2226288.PDF>

<http://eca.europa.eu/portal/pls/portal/docs/1/2222338.PDF>

### **Commission outlines policy priorities for 2010**

*The Annual Policy Strategy is the first step of the Commission's planning system. It aims to launch the inter-institutional dialogue on the priorities for next year and to prepare for the Preliminary Draft Budget, which the Commission will be presenting in April.*

The Annual Policy Strategy for 2010 outlines policy objectives in four areas: economic and social recovery, climate change and sustainable Europe, putting the citizen first, and Europe as a world partner.

It will be for the next Commission to review the policy priorities at the start of its mandate, and to turn them into an operational programme when it draws up its Work Programme for 2010.

The impact of the current financial and economic crisis is likely to be significant both in 2009 and in 2010 and can be expected to remain the focus of the Commission's work.

Important files, deserving attention in 2010 include: the follow-up to the December 2009 Copenhagen conference on a new international agreement on climate change; the next phase of the Lisbon Strategy for Growth and Jobs; the implementation of the 2008 Small Business Act and the Services Directive.

[http://ec.europa.eu/atwork/synthesis/index\\_en.htm](http://ec.europa.eu/atwork/synthesis/index_en.htm)



## DOCUMENTS & WEB SITES OF INTEREST

### EU LEGISLATIVE INITIATIVES

#### **Towards a comprehensive climate change agreement in Copenhagen**

The European Commission's proposals for the international climate negotiations focus on targets and actions for the reduction of greenhouse gas (GHG) emissions, financing of adaptation, revision of the Clean Development Mechanism (CDM) and building an effective global carbon market.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0039:FIN:EN:PDF>

#### **Directive on defence procurement**

The new directive lays down rules for the coordination of the award of public contracts in this particularly sensitive area. The new rules are expected to limit cases of abusive interpretation of treaty provisions, which authorise, on an exceptional basis, an exemption from single market rules in the area of defence and security.

The directive still has to be endorsed at an upcoming Council of Ministers and published in the Official Journal. The member states will then have two years to transpose it into their national laws.

[http://ec.europa.eu/internal\\_market/publicprocurement/dpp\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/dpp_en.htm)

#### **Proposal for a Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards the rules on invoicing**

The proposal to change the VAT Directive 2006/112/EC in respect to the invoicing rules is based on a Communication on the technological developments in the field of electronic invoicing. The aim of the proposal is to increase the use of electronic invoicing, reduce burdens on business, support small and medium sized enterprises (SMEs) and help Member States to tackle fraud.

The proposal simplifies, modernises and harmonises the VAT invoicing rules. In particular, it eliminates the current barriers to e-invoicing in the VAT Directive by treating paper and electronic invoices equally.

[ec.europa.eu/taxation\\_customs/taxation/vat/key\\_documents/legislation\\_proposed/index\\_en.htm](http://ec.europa.eu/taxation_customs/taxation/vat/key_documents/legislation_proposed/index_en.htm)

#### **'Open markets matter'**

The Commission Communication identifies the main non tariff barriers (such as standards, customs procedures or discriminatory tax practices) faced by European exporters and sets out a plan to tackle them, including through deepening regulatory co-operation with key countries and regions.

[http://trade.ec.europa.eu/doclib/docs/2008/december/tradoc\\_141742.pdf](http://trade.ec.europa.eu/doclib/docs/2008/december/tradoc_141742.pdf)

#### **Action plan for the deployment of Intelligent Transport Systems in Europe**

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0886:FIN:EN:PDF>

#### **European Year of Creativity and Innovation**

[http://create2009.europa.eu/index\\_en.html](http://create2009.europa.eu/index_en.html)

## **Strategic goals and recommendations for the EU's maritime transport policy until 2018**

The strategic plan includes the Commission's objectives until 2018 to promote safe, ecological and effective maritime transport.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0008:FIN:EN:PDF>

### **REPORTS**

#### **2008 European Innovation Scoreboard**

The analysis is based on data that precede the financial crisis.

Across the EU, particular progress was made in human resources and availability of finance for innovation. However, innovative investments by businesses are still relatively weak especially if compared to the US and Japan.

<http://www.proinno-europe.eu/metrics>

#### **2008 Innovation Progress Report**

The report analyses challenges and policy responses from the perspective of a typology of failures in innovation systems, and aim at shedding new light on the relevance of innovation policy objectives and responses in the EU-27 Member States. The comparison of innovation policy and governance at the levels four country groups (innovation leaders, innovation followers, moderate innovators and catching-up countries) reveals differences in their perceptions of challenges and their approach to policy design and targeting.

[http://www.proinno-europe.eu/admin/uploaded\\_documents/EIRP2008\\_Final\\_merged.pdf](http://www.proinno-europe.eu/admin/uploaded_documents/EIRP2008_Final_merged.pdf)

#### **2008 Science, Technology and Competitiveness (ST&C) key figures report**

The report provides for the first time an overview of progress from 2000 to 2006 in both EU R&D investment and in implementing the European Research Area (ERA).

It shows that Europe's pool of researchers is growing and the EU is becoming more attractive for foreign researchers and for private R&D investments from the US. However, the stagnation of the EU-27's R&D intensity (R&D expenditure as % of GDP) at 1.84% is denting the EU's ambition to become a globally competitive knowledge-based society.

[http://ec.europa.eu/research/era/publication\\_en.cfm](http://ec.europa.eu/research/era/publication_en.cfm)

#### **Qualitative study on the image of science and the research policy of the European Union**

According to the study, science is highly valued and intimately linked to the idea of progress. However, science also gives rise to some fears and reservations – mostly of possible misuse by mankind. The study also reveals support for a more coordinated European research policy and the need to pool human and financial resources to do research on issues of common interest such health, environment or energy.

<http://ec.europa.eu/research/science-society/index.cfm?fuseaction=public.topic&id=1220>

#### **Fourth Interim reports on Bulgaria and Romania**

When they joined the EU on 1 January 2007, Romania and Bulgaria still had progress to make in the fields of judicial reform, corruption and organised crime.

The report on Bulgaria "reflects the work undertaken by the Bulgarian authorities since the last Commission report in July. This work must now be maintained and furthered to produce real results over the next six months." However, as far as Romania is concerned 'the pace of progress observed in the July report has not been kept up. It is important that the Romanian authorities give new impetus to the judicial reforms and the fight against corruption to reverse some of the setbacks of the last few months.'

[http://ec.europa.eu/dgs/secretariat\\_general/cvm/docs/bulgaria\\_report\\_20090212\\_en.pdf](http://ec.europa.eu/dgs/secretariat_general/cvm/docs/bulgaria_report_20090212_en.pdf)

### **Instrument for Structural Policies for Pre-accession (ISPA), 2000-2006**

The European Court of Auditors published a report on the implementation of the ISPA programme (2000-2006), designed to help candidate countries apply the EU's environmental standards as well as improve and develop transport networks including links to the trans-European network.

The report shows that 84% of the projects have been seriously delayed or that changes have been made mid-term. Only the Czech Republic has managed to avoid delays in the implementation of the projects whilst other countries such as Poland, Hungary, Bulgaria, Latvia and Romania have suffered delays varying from one to four years.

<http://eca.europa.eu/portal/pls/portal/docs/1/2146214.PDF>

### **EC Development Assistance to Health Services in Sub-Saharan Africa**

The European Auditors Court reveals a certain number of limits in aid management, stressing inadequate expertise on the part of the Commission's delegations in terms of health, inadequate use of sectoral budget support (designed for healthcare systems) and a lack of coherence and co-operation with beneficiary countries.

<http://eca.europa.eu/portal/pls/portal/docs/1/2020216.PDF>

### **Development and consolidation of the external service: implementation of measures for 2008**

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0879:FIN:EN:PDF>

### **2007 annual report on PHARE, Turkey pre-accession, CARDS and transition facility**

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0880:FIN:EN:PDF>

### **Five Years of an Enlarged EU: Economic achievements and challenges**

The Commission communication shows that enlargement has been beneficial to EU citizens. On an economic level enlargement has improved living standards in the new Member States and has created export and investment opportunities for the old ones. It has helped consolidate democracy and has enhanced stability and security on our continent. An enlarged EU has greater influence when it takes a stance on major international issues, such as global warming or the world economy and its governance.

<http://ec.europa.eu/enlargement/5years/>

### **EU10 Regular Economic Report February 2009**

The World Bank report analyses stages of the crisis faced by different EU10 countries in four major areas: external financing risks in the banking sector, interbank markets and spillover from the global crisis, domestic credit developments and fiscal policy as a stabilization mechanism. The EU10 countries include: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia.

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/0,,contentMDK:22076240~menuPK:258604~pagePK:2865106~piPK:2865128~theSitePK:258599,00.html>

### **Internal Market Scoreboard**

Member States continue to perform well in implementing Internal Market rules into national law on time. On average only 1.0% of Internal Market Directives for which the implementation deadline has passed are not currently written into national law. However, an average of 49 directives is not correctly imposed.

[http://ec.europa.eu/internal\\_market/score/index\\_en.htm](http://ec.europa.eu/internal_market/score/index_en.htm)

At the same time as the Internal Market Scoreboard, the Commission published the report on its problem-solving and advice service SOLVIT.

## MISCELLANEOUS

### **Study on collaborative approaches to project delivery (Project partnering, Strategic partnering, Alliances, Framework arrangements and Construction consortia)**

The study reviewed the use of voluntary arrangements that promote collaborative working in the construction sector in selected EU Member States, and the methods ('approaches') that had been adopted to promote these arrangements. On the basis of that review the external consultant developed a 'Best Practice' Guide to such arrangements for use by the Commission in promoting their wider application.

<http://www.mbs.ac.uk/research/innovation/voluntary-arrangements-steering-group.aspx>

### **Commission settles payment dispute after intervention of the European Ombudsman**

The contract concerned project to supply water for returnees and displaced persons in Liberia, the total expenditure for which amounted to more than 1,5 million euro.

At the end of the contract, the company and the Commission disagreed over final payments, including management fees for the project account.

<http://www.ombudsman.europa.eu/cases/decision.faces/en/3707/html.bookmark>

### **Construction sector in decline**

The impact of the economic crisis is mirrored in the 1.7% decline in output in the construction sector in the EU in December 2008, compared with the previous month, and a 6.7% decline compared with December 2007, following a decrease in November. Eurostat figures, released on 18 February, show that average construction output for 2008 fell by 2.7% in the eurozone and by 1.2% in the EU.

[http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP\\_PRD\\_CAT\\_PREREL/PGE\\_CAT\\_PREREL\\_YEAR\\_2009/PGE\\_CAT\\_PREREL\\_YEAR\\_2009\\_MONTH\\_02/4-18022009-EN-AP.PDF](http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP_PRD_CAT_PREREL/PGE_CAT_PREREL_YEAR_2009/PGE_CAT_PREREL_YEAR_2009_MONTH_02/4-18022009-EN-AP.PDF)

### **Urban Atlas**

The Urban Atlas is part of the implementation of the Global Monitoring of Environment and Security (GMES) service.

The Urban Atlas will enable urban planners to better assess risks and opportunities, ranging from threat of flooding and impact of climate change, to identifying new infrastructure and public transport needs.

The first edition of the Urban Atlas will be delivered in 2009 to 185 cities (see Annex for a complete list). The Urban Atlas covers all EU capitals and a large sample of large and medium-sized cities participating in the European Urban Audit, a data collection covering over 300 cities in the EU.

Future editions of the Urban Atlas are planned in 3-5 year intervals, to complement the Urban Audit exercise. The Urban Audit is co-financed by the European Commission and managed in close consultation with National Statistical Institutes in all EU Member States.

[http://ec.europa.eu/gmes/index\\_en.htm](http://ec.europa.eu/gmes/index_en.htm)

### **Modelling environmental change in Europe: towards a model inventory (SEIS/Forward) Document Actions**

This technical report presents a general description of environmental models based on the themes covered, the geographical coverage and the analytical structure of the respective models. A pool of some 80 models is introduced, many of which have been used by the

European Environment Agency in its recent environmental assessments and reports, a limited number of which are described in more detail.

[http://reports.eea.europa.eu/technical\\_report\\_2008\\_11/en](http://reports.eea.europa.eu/technical_report_2008_11/en)

### **Greenhouse gas emission trends and projections in Europe 2008 - Tracking progress towards Kyoto targets**

This report presents an assessment of the current and projected progress of EU Member States, EU candidate countries and other EEA member countries towards their respective targets under the Kyoto Protocol and of progress towards the EU target for 2020. This is based on their past greenhouse gas emissions between 1990 and 2006, and the projected greenhouse gas emissions of these countries during the Kyoto commitment period 2008–2012 and for 2020, derived from data and related information they provided before 1 June 2008.

[http://reports.eea.europa.eu/eea\\_report\\_2008\\_5/en](http://reports.eea.europa.eu/eea_report_2008_5/en)

### **EEA Signals 2009**

The Annual report of the European Environment Agency highlights the existing link between climate change and other environmental problems and the need to deal with them simultaneously.

<http://reports.eea.europa.eu/signals-2009/en/EEA-Signals-2009-EN-web.pdf>

### **Territorial dynamics in Europe: Trends in population development**

This paper, published by the European network ESPON (European Spatial Planning Observation Network), reveals that migration plays a vital role in population growth, compensating for the weak or negative natural growth. It also reveals a trend towards polarisation between East/West in 2001-2005 due to the negative migratory flow into Eastern Europe. In contrast it stresses that regions that have experienced high population growth developed significantly between 1996-1999 and 2001-2005.

[http://www.espon.eu/mmp/online/website/content/programme/1455/2175/2176/2177/file\\_5330/espon\\_territorial\\_observation\\_no1\\_211108.pdf](http://www.espon.eu/mmp/online/website/content/programme/1455/2175/2176/2177/file_5330/espon_territorial_observation_no1_211108.pdf)

### **Breathing LIFE into greener businesses: Demonstrating innovative approaches to improving the environmental performance of European businesses**

This LIFE-Focus brochure showcases successful LIFE initiatives supporting companies that have taken proactive measures to strengthen their environmental performance. It shows how eco-innovation can be good for business and good for the environment at the same time.

<http://ec.europa.eu/environment/life/publications/lifepublications/lifefocus/documents/greening.pdf>

### **Beyond transport policy - exploring and managing the external drivers of transport demand**

This report is presenting an analysis of three examples of relations between societal activities and transport demand - effects of food production and consumption on shopping journeys and freight traffic; increasing use of air travel for business and leisure; effects of education based travel on transport demand.

[http://reports.eea.europa.eu/technical\\_report\\_2008\\_12/en](http://reports.eea.europa.eu/technical_report_2008_12/en)

### **Are trucks taking their toll? The environmental, safety and congestion impacts of lorries in the EU**

The study shows that CO<sub>2</sub> emissions of lorries would increase by 54% by 2030, that heavy goods lorries would be responsible for 20% of traffic jams in Europe and that the noise generated by lorries would be responsible for thousands of heart diseases each year.

The study estimates that all the taxes and charges paid by road hauliers only cover 35% of the external costs and infrastructure costs that lorries are responsible for.

<http://www.transportenvironment.org/>

### **June 2009 elections at the European Parliament**

Even though the campaign for the European elections (4 to 7 June 2009) will mainly take place in the member states, the Parliament as an institution intends to participate in the debate in a non-partisan and neutral way. Its goal, above all, remains to increase voter turnout, which has continued to fall since the first elections by universal suffrage in 1979. The site includes a tab called 'Why vote?' and offers information on the 27 national ballots and on MEPs at work, with the possibility of following debates online.

<http://www.europarl.europa.eu/elections2009/default.htm?language=en>

### **What has the EU done for you in 2008?**

The European Commission annual multimedia yearbook presents some of the EU's most important achievements of 2008. It provides a collection of success stories where EU action has led to tangible results for citizens, with topics ranging from toy safety to mitigating the effects of the financial crisis.

[ec.europa.eu/snapshot2008](http://ec.europa.eu/snapshot2008)

### **Sourcebook on EU Environmental Law**

This document gives a summary of EU environmental legislation, principles and standards (as agreed by the European Investment Bank (EIB), Council of Europe Development Bank (CEB), European Bank for Reconstruction and Development (EBRD) It demonstrates cooperation to promote the EU's approach to environmental sustainability between these institutions, building on the launch of the European Principles for the Environment (EPE) in 2006.

The focus of the document is on project-specific standards across a range of key sectors in which the EPE banks concentrate their lending activities. The sectors covered include energy, infrastructure, metal production and processing, waste management, agriculture and the chemical and extractive industries. Moreover, the Sourcebook offers cross-sector guidance on issues such as the Environmental Impact Assessment (EIA), environmental management systems and environmental liability.

<http://www.eib.org/about/publications/sourcebook-on-eu-environmental-law.htm>

### **Contracting authorities bound by EU public procurement rules**

Updated lists of Contracting Authorities in the EU

[http://ec.europa.eu/internal\\_market/publicprocurement/authorities\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/authorities_en.htm)

### **Single Market Review: One year on**

The report sets out how the Commission has implemented the new vision for the single market of the 21st century. It also demonstrates the relevance of Single Market policy in the current economic situation and outlines a series of measures that have already been taken or are in the pipeline, which will help create the conditions to relaunch the European economy.

[http://ec.europa.eu/internal\\_market/strategy/index\\_en.htm](http://ec.europa.eu/internal_market/strategy/index_en.htm)

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