



FEDERATION NEWS

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Outgoing President Yann Leblais highlights EFCA successes

Yann Leblais presented significant results on strategic objectives over the past year to the federation's stakeholders.

During the past year, EFCA effectively moved forward the European industry's business interests and secured results in several areas.

Progress against the goals, which were set in the 2005-2008 forward plan, covered all key issues, grouped under four major headings: enhancing EFCA's visibility and recognition, expanding representativity in Europe, invigorating EFCA's representational work and maximising the influence of EFCA messages towards policy makers.

In his report, President Yann Leblais highlighted a series of notable successes in the fourth area that is, influencing the European institutions to ensure a European regulatory environment that serves the European firm's business interests and competitiveness.

He demonstrated that EFCA effectively addressed issues on EU public procurement and public private partnership legislative policies, European standardisation, health & safety, and EU external aid procurement.

All actions will be taken forward by the new President and in the ongoing expert work of the EFCA Committees to advance the federation's strategy.



New EFCA President sets federation's key priorities

Panos Panagopoulos outlined the federation's 2008-2011 major objectives at the 29 May 2008 Prague meeting.

The new President will continue EFCA's fundamental mission of improving business conditions for the engineering consultancy sector in the representational work towards the European institutions.

Therefore, EFCA should continue to position itself in the Brussels political area and to raise the awareness of EU decision-makers to the role, the impact and value that our industry brings to clients and society.



The President expounded on the six principal elements of the 2008-2011 Forward Plan:

- Enhance the image of consulting engineering in Europe
- Improve business conditions for European firms
- Enhance business development of European firms
- Pursue expansion of EFCA membership in Europe
- Enhance cooperation with European MAs
- Improve working relationship with FIDIC

The President resolutely called for enhanced cooperative actions and a strong members' involvement to deliver on his mandate.

EFCA Committees report achievements and future challenges

The Chairs looked at the EFCA Committees' output and debated further development at the 29 May 2008 General Assembly meeting.



Robert Couturier (Partnership for Development) started off the debate with a critical review of (lack of) progress on a range of issues, important to firms that work under EU external aid programmes.

However, he reported a major significant step with regard to 'procurement procedures', which will be debated at a high level round table with the participation of Koos Richelle, Director General EuropeAid, and Jules Muis, former EC Director General Internal Audit.

The Committee is now planning to look at the European Commission's increasing commitment to budget support, basket funding and NGO financing.

Jean Félix (Public Procurement) highlighted the Committee's work in three areas: the public procurement Directive, the services Directive, and the Directive on recognition of professional qualifications.

EFCA's contributions to the development of voluntary standards to create conditions for facilitating transnational projects and increased understanding by all project parties certainly is concrete action illustrating that the federation is responding to the European industry's everyday needs.

Jean Félix concluded positively that the industry is not only facing challenges but also opportunities through the opening up of the internal market and the EU economic policies that pursue the Lisbon strategy.

In the absence of Kevin Corbett (Professional Liability), Nora Fung drew the audience's attention to three key issues of the Committee's activities: its strategy in view of the diversity of liability and insurance conditions among the EU member states, the development of a constructive dialogue with other stakeholders, and the coordination with the FIDIC Risk and Liability Committee.

There was general agreement that a European-wide analysis and report of the national regulatory liability and insurance landscape would definitely be useful in the transnational work of engineering consultancies, although it is clear that also (national) custom and practice have a bearing on the way the business is done.

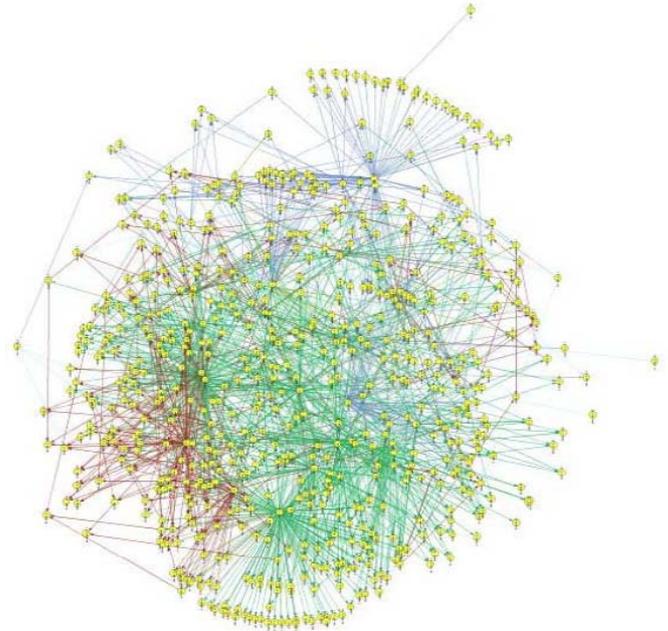
Panos Panagopoulos, acting Chair, started off with the invitation to the member associations to identify a future Chair for the Project Financing Committee.

The Committee is focusing on issues of strategic importance to public private partnerships. It develops our industry's recommendations to contribute to the European political debate and to promote its role in making such partnerships successful. The Committee has connected in with other key stakeholders, i.e. the European contractors federation, with whom it looked at the competitive dialogue procedure and the procurement of PPP projects, and exchanged views on the appropriate remuneration for engineering consultancy services.

Exchange of information in the sector on the conditions in PPP projects and protection of confidentiality and protection of engineering design and solutions remain central priorities of the Committee.

Innovation: a spaghetti challenge?

An excellent speech by keynote speaker John Bessant set off the 2008 conference in Prague with a bang.



The opening speech of the 2008 conference was without doubt a bull's-eye: it demonstrated not only approaches to understanding innovation and how it really happens, but also what it is about and the capabilities that are needed to deal with challenges in 'managing' innovation.

Other speakers highlighted that innovation is an imperative for business survival and growth. It is crucial for firms to implement it in the company's culture, strategy, management, and human resources policy. However, whilst innovation might give a competitive edge or generate profits, it also exposes firms to risks and failure.

No clear formula exists to balance a firm's innovation portfolio. Still, not one speaker questioned the need for tolerating risk-taking and supporting managerial innovation and entrepreneurial creativity in the firms.

Client satisfaction is a key to the firm's success, and at the same time an important driver of innovation. Other speakers pointed to the public clients' role in addressing

unexploited innovation opportunities for procurement of R&D services and facilitating competitive market demand for innovation.

Finally, speakers explored a series of best practices in developing and cultivating the channels through which knowledge flows in engineering consultancy firms.

And by the way: the spaghetti model of 'innovation' demonstrated the complexity of knowledge flows and the multi-faced internal and external linkages.

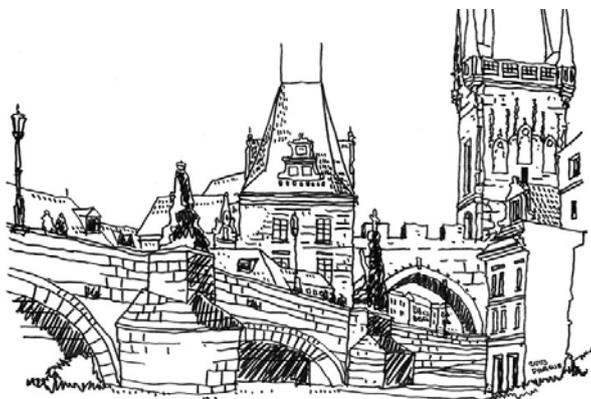
<http://www.efcaconference2008.cz/download.html>

Young Professionals wish fresh impetus to knowledge networks

The face-to-face meeting in Prague encouraged Young Professionals to step outside their own contexts, to maintain the linkages with peers and to span disciplines and cultures.

A Dutch report on generations triggered off a lively debate on divergences in European 'entrepreneurship' and hierarchical relationships.

The starting point of the discussion focused on national differences in inter-generational organisational structures and implications on the work environment.



EFCA conference 2008 in Prague

By courtesy of Mátyás Borostyánkői

The Young Professionals around the table underlined that knowledge management requires the participation of individuals who are innovative, open to collaboration, tolerant and willing to share their knowledge. Moreover, they believe that knowledge networks, beyond the execution of specific tasks in the firm, not only support the sharing of knowledge but also provide opportunities for learning and accelerating the communication of new ideas and solutions.

As the Young Professionals are to become the next generation of the industry's managers and decision-makers, they wish to carry the industry's knowledge and experience forward into the future. In this context, they developed a series of possible and inspiring actions, including the organisation of networking events and the development of generation learning tools.



On 8-9 October 2008 EFCA will offer Young Professionals the chance to learn about European challenges.

The two-day programme will offer insight into the EU institutions, the European decision making process and its impact on national law and business, as well as EFCA's process of influencing.

Other sessions will promote the exchange between young professionals, and explore ideas for sharing knowledge and debating views about 'knowledge management'.

E F C A A G E N D A

Board of Directors	Brussels	04.07.2008 [11:00-17:00]
Working Party on Directive 92/57 (H&S)	Brussels	4 or 16.09.2008 (tbc)
Board of Directors	Stockholm	18-19.09.2008
Partnership for Development Committee	Brussels	30.09.2008
Professional Liability Committee	Brussels	Early 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



EFCA conference 2008 in Prague

By courtesy of Mátyás Borostyánkői



EUROPEAN BRIEFING

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INTERNAL MARKET

Commission proposal for a Construction Products Regulation (CPR)

The European Commission has proposed to replace the 'Construction Product Directive' (89/106/EEC) by a new Regulation, aiming to remove all remaining regulatory and technical obstacles to the free circulation of construction products in the European Economic Area.

The draft regulation introduces a 'common technical language' to express the performance of all these products, thus leading to a simplification and clarification of the current situation.

This common technical language, which mainly consists of harmonised standards and European technical evaluations, will replace the corresponding national technical

specifications and increase the transparency of the market to the benefit of users, such as designers, builders, entrepreneurs and other parties.

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

Pilot project on e-procurement launched

The Commission is co-financing a pilot project, driven by eight European countries that will create the conditions to link existing national electronic public procurement (e-procurement) systems.



The European Commission is working with Austria, Denmark, Finland, France, Germany, Hungary and Italy as well as Norway (as a member of the European Economic Area) to enable companies from one country to respond to public procurement tenders in another. The project will not replace but rather build on existing national e-procurement systems using information and communication technologies to enable them to communicate with each other.

The pilot project, called PEPPOL (Pan European Public Procurement on-line), focuses on cross-border activities within the procurement process. It will enable all member states and other stakeholders, including standardisation bodies, the software industry and SMEs, whether participating in the project or not, to follow the work and influence the definition of specifications as they are developed.

http://ec.europa.eu/information_society/activities/egovernment/policy/impact/eproc/index_en.htm

Commission wants to redefine auditor liability

The European Commission issued a Recommendation concerning the limitation of auditors' civil liability.

The Recommendation responds to the increasing trend of litigation and lack of sufficient insurance cover in this sector. The Recommendation leaves it to member states to decide on the appropriate method for limiting liability. It also introduces a set of key principles: the limitation of liability should not apply in the case of intentional misconduct on the part of the auditor; a limitation would be inefficient if it does not also cover third parties; and damaged parties should have the right to be fairly compensated.

http://ec.europa.eu/internal_market/auditing/liability/index_en.htm

Public procurement: infringement procedure

The European Commission has decided to send a reasoned opinion to Austria concerning the award of planning services in the context of the extension of the Montecuccoli barracks in Güssing.

The services amount to 2.5 million euro and their value is thus more than 10 times the threshold for the application of the European procurement Directive 2004/18/EC.

The tender carried out by the Defence Ministry of the Austrian Government contained a pre-selection criterion favouring undertakings from the geographical area of Güssing and its surroundings. The application of this criterion led to the exclusion of undertakings operating from further away. These undertakings were excluded before they could actually submit offers.

The Austrian Government claimed that the use of the criterion was justified to ensure the execution of the project without delay.

The Commission does not question the possibility to apply award criteria relevant for the execution of a contract which are justified in view of the subject matter of the contract, for example the need to ensure that supervisors of the works have rapid access to the place of execution of the works.

However, bidders not yet fulfilling such requirements at the beginning of the procedure have to be invited to provide evidence of how they will ensure that these requirements are met during contract implementation.

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

EU FUNDS & PROGRAMMES

New business cooperation programme to develop trade and investment with Japan and South Korea

The EU Gateway Programme provides support to EU companies at the critical early stages of their market penetration strategy.



The evaluation of the former Gateway to Japan Programme (1994-2007) has shown a clear benefit and positive impact on understanding the Japanese market, increasing business contacts and investment prospects.

To enhance effectiveness, the format has been improved to better accommodate companies in the technology and design sectors.

The Programme aims at organising around 30 missions to Japan and 15 to Korea in the coming 6 years. Missions will be arranged according to economic sector.

<http://www.eu-gateway.eu/go.php?nID=22&page=Home>

European Chemicals Agency arrives on EU stage

The European Chemicals Agency (ECHA) is at the heart of Regulation EC 1907/2006, which establishes the EU's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) system.



The agency's first challenge is to ensure that the 35,000 chemical manufacturers in the EU and importers of foreign produced chemicals pre-register these substances by 1 December.

Among its main tasks, the agency must inform and advise companies, and particularly SMEs, to help them to comply with the new requirements introduced by REACH.

<http://echa.europa.eu/>

Europe-wide information campaign on risk assessment

The European Agency for Safety and Health at Work (EU-OSHA) launched its Healthy Workplaces campaign.



The Healthy Workplaces campaign highlights the necessity for risk assessment in line with the Community Strategy for Health and Safety at Work (2007–2012), which aims to cut work-related accidents over this period by a quarter across the EU.

The campaign focuses especially on high-risk sectors such as construction, healthcare

and agriculture, and on the needs of small and medium-sized enterprises. It will run over two years (2008–09).

<http://osha.europa.eu/en/campaigns/hw2008/>

New EIB external mandate

The European Investment Bank and the European Commission increase their collaboration to strengthen the coherence of EIB lending with the external policy objectives of the EU.

The EIB has been lending outside the EU since 1963 with the support of an EU guarantee, complementing the Commission's political and financial initiatives for third countries.

The 2006 Council Decision on the EIB external mandate foresees at least 25.8 billion euro of loans being made available over the period 2007–2013, broken down by region as follows:

- Pre-accession countries, including Croatia and Turkey: 8.7 billion euro
- Mediterranean: 8.7 billion euro
- Eastern Europe, Southern Caucasus, Russia: 3.7 billion euro
- Latin America: 2.8 billion euro
- Asia: 1 billion euro
- Republic of South Africa: 900 million euro

Loans totalling 1.9 billion euro were already signed under the new mandate in 2007. The mandate currently covers 59 countries and/or territories.

The European Commission recently proposed extending it to five central Asian countries: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. EIB activity in African, Caribbean and Pacific countries is covered by the separate Cotonou agreement.



DOCUMENTS & WEB SITES OF INTEREST

EU LEGISLATIVE INITIATIVES

Proposals & Regulation

Code of Conduct for interest representatives

The European Commission adopted a code of conduct containing clear and precise rules for interest representatives in their dealings with Commission staff.

on 23 June 2008 the Commission will launch with the register of interest representatives. Acceptance of the code will be a requirement for entry in the register.

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

Framework directive on waste

The European Parliament adopted in second reading the new Framework Directive on waste.

It will come into force with its publication in the Official Journal, in principle at the end of this year. The directive sets out rules on recycling and requires member states to draw up binding national programmes for waste prevention.

Waste prevention targets will be considered by the Commission in the future.

<http://www.europarl.europa.eu/oeil/FindByProcnum.do?lang=2&procnum=COD/2005/0281>

Working Time Directive & Directive on Working conditions for Temporary Agency Workers

The Council has reached by qualified majority a political agreement on a directive amending Directive 2003/88/EC concerning certain aspects of the organisation of working time.

The Council has also reached political agreement on a common position on the draft Directive on temporary agency work.

The common positions will be transmitted to the European Parliament for a second reading after the texts have been finalised by legal and linguistic experts.

<http://www.europarl.europa.eu/oeil/FindByProcnum.do?lang=2&procnum=COD/2004/0209>

REPORTS

Analysis of the budgetary implementation of the Structural and Cohesion Funds in 2007

http://ec.europa.eu/budget/library/documents/revenue_expenditure/expenditure/sf_implem_rep_2007_en.pdf

State aid Scoreboard – Spring 2008 update

The report includes a special focus on Members States' use of State aid for environmental purposes as well as the latest expenditure data for Bulgaria and Romania

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

The Impacts of the 2004 Enlargement in the Area of Transport

http://ec.europa.eu/dgs/energy_transport/international/studies/doc/2007_09_ia_2004_enlargement_transport_final_report_en.pdf

CONSULTATIONS

Public procurement networks to stimulate innovation

It is envisaged to establish networks of contracting authorities, including government organisations that promote professionalism in public procurement (e.g. expertise centres). The aim of these networks would be to enable contracting authorities to improve their knowledge about innovative solutions that are available or being developed by suppliers, to allow a better coordinated and articulated dialogue with suppliers about the future needs of contracting authorities, and to realise the benefits of European cooperation in exchanging experience in procurement practices and in undertaking joint or coordinated actions.

http://ec.europa.eu/enterprise/leadmarket/public_procurement_networks.htm

MISCELLANEOUS

Europe in figures - Eurostat statistical yearbook 2008

With just over 500 statistical tables, graphs and maps, the yearbook treats the following areas: the economy, education, health, living conditions and welfare, the labour market, industry and services, agriculture, forestry and fisheries, international trade, transport, the environment, energy, science and technology and European regions.

The 2008 edition's spotlight chapter covers Europe's ageing society and associated demographic challenges.

http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1073,46587259&_dad=portal&_schema=PORTAL&p_product_code=KS-CD-07-001

Euro area labour costs rose by 3.3% - First quarter 2008 compared with first quarter 2007

Total hourly labour costs in the euro area rose by 3.3% in nominal terms in the year up to the first quarter of 2008, compared with 2.9% for the previous quarter. In the EU27, the annual rise was 4.3% up to the first quarter of 2008, compared with 3.6% for the previous quarter.

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_06/3-13062008-EN-BP.PDF

European Attractiveness Survey 2008

Ernst & Young survey based on a two-fold, original methodology that reflects, first, the 'perceived' attractiveness of Europe and its competitors by a representative panel of 834 international decision-makers and, second, Europe's real attractiveness for foreign direct investors, based on Ernst & Young's European Investment Monitor.

<http://www.ey.com/global/content.nsf/France/Attractiveness-Publications-2008>

The Demographic Risk map

The "Demographic Risk Map" analyzes the impact of demographic change from a business perspective in 264 regions across Europe on the basis of selected locations factors. It is therefore the first to provide a direct comparison between time frames, 264 European regions and 27 countries.

http://www.eukn.org/eukn/news/2008/06/The-Demographic-Risk-Map_1016.html

The Growth Report

This document analyses 13 high-growth economies since the end of the Second World War and outlines ingredients that may explain their success

http://www.growthcommission.org/index.php?option=com_content&task=view&id=96&Itemid=169&lang=english

No Time to Waste: European governments behind schedule on aid quantity and quality

Report, issued by Concord, the umbrella organisation of European relief and development NGOs.

<http://www.concordeurope.org/Files/media/extranetdocumentsENG/NavigationSecondaire/WorkingGroups/Aidwatch/Aidwatch2008/Light-Full-report.pdf>

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