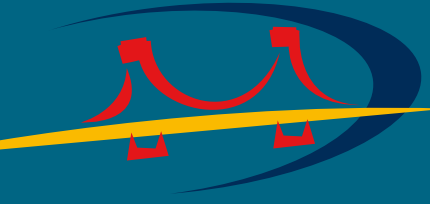


NEWS IN BRIEF

► BUDAPEST 2006: AN INDUSTRY FIRST

EFCA's 2006 conference – to take place in Budapest, Hungary on 24-27 September – marks a first for the industry. The International Consulting Engineering Conference – co-organised with the International Federation of Consulting Engineers (FIDIC) and Hungarian host association, AHCEA – will bring together local, European and global perspectives on the sector in one event.



A key added value of the conference is the unprecedented scope for networking with other consultants, sharing ideas and exploring the potential for working together. With over 550 participants, no other forum provides such an extensive environment to develop real business among the world's leading consulting engineers.

For more information:
www.consulting2006.org

► PARTNERSHIP FOR EFFECTIVE AID DELIVERY

Consulting engineers have an instrumental role in implementing development policies in the field. But a constructive partnership with the other key players – the European Commission, Member States and recipient countries – is essential to the success of EU external assistance.

ENGINEERING CONSULTANTS: KEY PARTNERS IN PROJECT SUCCESS

An interview with EFCA President Yann Leblais

What are the current problems for European engineering consultants around the issue of liability?

At the moment, few member states place limits on the financial liability of firms for professional risk in engineering projects. This means that consultants often end up carrying an unfair burden of risk in the project – increasing the costs of their services. This threatens the viability of many firms and will, in the end, act as a disincentive for innovation in the industry. Currently, our fees represent 5 to 10% of the construction cost, and yet we could be liable for up to 100% of the risk. We are arguing for a fairer spread of liability among the different parties in projects, reflecting their real capacity to control and manage the risks and their economic weight in the contract. This will keep services competitive and help guarantee insurability in higher risk areas, like tunnelling or similar.

The draft Services Directive would introduce new provisions on liability for firms offering cross-border services. How would this affect your members?

Consultants generally believe that the proposed legislation would bring direct benefits to the industry through the removal of barriers to cross-border services. National legal frameworks in this area vary enormously at present, as do business practices. There is no internal market for insurance. Consultancy firms are now strongly demanding that politicians at both European and national level answer the need for a “European dimension” to liability provisions.

The European Commission is also looking at new policy options in the field of Public Private Partnerships. What are EFCA's priorities?

PPPs have a lot of potential benefits: they can bring better value for public money through private sector innovation and improved efficiency. Engineering consultants have a key role in the success of a project – both in defining needs and objectives and in proposing solutions. Their technical and project management skills and experience can deliver time and costs savings and bring new techniques. That's why we're prioritising the need for fair remuneration – for all consultants in the project phases they are involved in. And we want to safeguard our role in providing innovation and creative ideas – so we will be making these points clear to the Commission when they draw up any new proposals on PPPs.

EFCA therefore participates in a structured dialogue with the EU Member States' Permanent Representations based in Brussels – with the aim of making joint proposals to the European Commission on improving the quality of EU aid activities. The dialogue focuses on exchange of information, practical experience and implementation of procedures in the field. Joint meetings take place twice a year, with the next dialogue planned in October 2006.

▶ RAISING THE PROFILE OF CONSULTANTS AND ENGINEERS

To help raise awareness of the engineers' role in major projects and developments, EFCA has launched a new feature on its website showcasing selected engineering projects from members, and highlighting their impact on people's daily lives. The project examples are designed to illustrate the vital role of engineering consultants in bringing major projects to fruition – and how they add to everyone's quality of life.

www.efcanet.org

▶ PUBLIC PROCUREMENT LEGISLATION: EFCA GUIDANCE

The EU Public Procurement Directive – which coordinates procedures for awarding public contracts – was due to be implemented in member states' national law by the end of January 2006. The Directive is of particular importance to the work of engineering consultants. EFCA has therefore issued a guidance document for its national associations – including basic information on the legislation, its underlying principles and recommendations for national implementation. With the guidelines, EFCA aims to help its associations in consultations with national administrations – so that the new national legislation is developed to the maximum benefit of both the industry and awarding authorities.

EFCA AT WORK

Attracting, training and employing young people are essential to the future success of the engineering consultancy sector, and its work in improving the built and natural environment in the developing world. EFCA is promoting a debate on the best way to invest in junior professionals, and thus guarantee the future expertise and competitiveness of European firms.

The problem of recruiting young professionals

Maintaining quality in services is dependent on the availability of trained junior personnel – they represent the future of the business. But, like other industries, the sector is faced with the problem of ageing. Engineering consultancy firms find it increasingly difficult to recruit young professionals to replace qualified engineers leaving the market.

At the same time, the current practice of emphasising international experience in the award of European contracts for consulting services makes it difficult for firms to include junior staff in tenders – even where they have sufficient professional expertise in a non-international context. As a result, more and more European firms are withdrawing from the development aid business.

At a global level, low profit margins in the business hamper quality assurance and the recruitment of junior staff, and provide little incentive to acquire skills for new developmental demands. A clear commitment to providing the right framework for firms to hire and invest in junior staff is now needed to maintain the strength and competitiveness of the consulting industry in Europe.

Investment in training: a European issue?

EFCA has proposed that the European Commission's EuropeAid office provides an additional budget for the costs of junior experts for development projects. This would stimulate the employment of young professionals in consultancy firms, add to the firms' know-how and support the competitiveness of the European consultancy industry.

The signs are that the European Commission is not yet convinced that this is an issue to be tackled at EU level. However, EFCA will continue to develop concrete proposals to put to the European Commission and promote the debate on investing in junior staff – at European and national level.

Schemes to assist young professionals already operate successfully in Sweden and Denmark. EFCA considers that these represent models of good practice which could be applied at the European level to help safeguard the future competitiveness and competence of the European consultancy sector and reduce unemployment of young professionals.

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