



EUROPEAN
INTERNATIONAL
CONTRACTORS

EIC General Assembly

Porto, 17th October 2014












President's Introduction

- ✦ **Dialogue with DG DEVCO on the applicability of DB and DBO schemes to EU-financed infrastructure projects in developing countries** *(8th October in Brussels)*
- ✦ **Participation in Roundtable on ECA involvement in EU Blending activities** with EU Commission, MDBs, DFIs, ECAs, European Banking Feder. and EIC *(9th July in Brussels)*
- ✦ **Participation at European World Bank consultations concerning Phase II of the Bank's Procurement Policy Reform** *(15th, 17th and 23rd September in Berlin, Paris, Rome)*
- ✦ **Meeting with EBRD procurement staff concerning potential MDB rules and regulations on Abnormally Low Tenders** *(9th October in London)*
- ✦ **Participation (jointly with FIEC) at Meetings between CoST and EU Commission to explore possibilities for applying CoST elements in EU-financed projects** *(8th July in Brussels)*
- ✦ **Nomination of joint FIEC/EIC representative for ongoing drafting work concerning new ISO Anti-Bribery Management System** *(16th - 19th September in Miami)*
- ✦ **Participation in DG Industry's Thematic Group on "International Competitiveness" and presentation at Seminar on Key Elements of Competitiveness of the European industry in Infrastructure Projects outside Europe** *(8th and 14th October Brussels)*

Membership / ACM

- ✦ Application for full EIC membership by Bulgarian Construction Chamber (BCC) 

- ✦ First contact with U.K. Civil Engineering Contractors Association (CECA) 

1. **Ansaldo** (May 2013) 
2. **EY, Ernst & Young** (June 2013) 
3. **Salfo** (June 2013) 
4. **Cybarco** (July 2013) 
5. **Deloitte** (July 2013) 
6. **Aecom** (July 2013) 
7. **Rambøll** (in November 2013) 
8. **Thales** (in November 2013) 
9. **Langan International** (in March 2014) 
10. **Pinsent Masons** (July 2014) 
11. **Pilosio** (July 2014) 

EIC Statistics 2013

Volume of Turnover 2013

in million EURO



	Austria	Belgium	Denmark	Finland	France	Germany	Great Britain ²⁾	Italy	Nether-lands	Portugal	Spain	Sweden ³⁾	Turkey	Total	Difference previous year (in %)
Companies reporting	4	5	6	7	13	13	2	38	7	20	13	3	47	178	5%
International Total	14.044	5.809	473	3.808	32.062	31.011	4.477	9.505	12.428	5.321	15.005	15.378	13.708	163.029	-3%
- without Europe	904	4.271	43	6	14.693	27.753	3.329	7.643	4.875	4.943	10.028	6.041	9.003	93.532	1%
- without Europe + North America	768	4.259	43	3	10.284	19.129	3.209	7.091	3.901	4.855	6.311	982	8.963	69.799	5%
- without Europe, North America & Australia	753	3.295	43	3	9.159	1.966	2.748 ⁴⁾	6.938	2.812	4.855	6.103	982	8.821	45.730	4%
Regional Total															
Europe	13.140	1.538	430	3.802	17.369	3.258	1.148	1.862	7.553	378	4.977	9.337	4.705	69.497	-8%
North America (USA and Canada)	136	12	0	3	4.409	8.624	120	552	974	88	3.717	5.059	40	23.733	-8%
America (Central and South)	131	649	1	0	1.050	557	237	2.890	724	1.053	4.438	982	106	12.819	16%
Oceania/Australia	15	964	0	0	1.125	17.163	923	153	1.089	0	208	0	142	30.186	-1%
Asia (Without Middle East)	93	792	19	3	2.955	304		369	775	0	404	0	2.690		
Africa (Without Middle East)	165	509	21	0	4.278	548	532	2.127	506	3.790	690	0	1.661	14.827	2%
Middle East¹⁾	364	1.345	2	0	876	557	1.517	1.553	807	12	571	0	4.364	11.967	17%

1) Afghanistan, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi-Arabia, Syria, United Arab Emirates and Yemen (North and South)

2) Source: ENR; The Top 225 International Contractors 2013; published on August 25, 2014. - Currency rate: 1 EUR = 1,33 US\$; Official rate for 2013 of the European Central Bank

3) EIC's own research

4) As figures for the U.K. cannot be split between Australia and Asia, the figure is an approximate value.

EIC Statistics 2013

Volume of New Contracts 2013

in million EURO



	Austria	Belgium ²⁾	Denmark	Finland	France	Germany	Great Britain ²⁾³⁾	Italy	Nether-lands	Portugal	Spain	Sweden ⁶⁾	Turkey	Total	Difference previous year (in %)
Companies reporting	4	5	6	7	13	13	2	38	7	20	13	3	47	178	5%
International Total	15.114	5.809	482	2.787	34.569	28.320	4.477	17.544	11.874	6.628	17.898	14.504	23.808	183.814	2%
- without Europe	1.915	4.271	67	1	15.720	25.144	3.329	15.787	4.398	6.200	13.690	5.566	18.315	114.403	7%
- without Europe and North America	1.802	4.259	67	1	11.141	17.644	3.209	13.721	3.311	6.045	10.622	676	18.315	90.813	16%
- without Europe, North America and Australia	1.790	3.295	67	1	10.491	1.599	2.748 ⁴⁾	13.281	2.716	6.045	10.323	676	18.315	68.598	24%
Regional Total															
Europe	13.199	1.538	415	2.786	18.849	3.176	1.148	1.757	7.476	428	4.208	8.938	5.493	69.411	-5%
North America (USA and Canada)	113	12	0	0	4.579	7.499	120	2.066	1.087	156	3.068	4.890	0	23.590	-17%
America (Central and South)	397	649	1	0	1.595	411	237	1.674	1.153	1.976	5.392	676	45	14.205	6%
Oceania/Australia	12	964	0	0	650	16.045	923	441	595	0	299	0	0	38.339	12%
Asia (Without Middle East)	63	792	3	1	3.496	216		1.164	458	0	218	0	11.999		
Africa (Without Middle East)	72	509	40	0	4.224	439	532	4.104	285	4.068	1.548	0	2.168	17.989	25%
Middle East ¹⁾	1.258	1.345	23	0	1.176	533	1.517	6.338	820	1	3.165	0	4.103	20.279	28%

1) Afghanistan, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi-Arabia, Syria, United Arab Emirates and Yemen (North and South)

2) Turnover: (New Contracts: No statements)

3) Source: ENR; The Top 225 International Contractors 2013; published on August 25, 2014. - Currency rate: 1 EUR = 1,33 US\$; Official rate for 2013 of the European Central Bank

4) As figures for the U.K. cannot be split up between Australia and Asia, the figure is an approximate value.

5) EIC's own research

Working Group “Contract Conditions”

FIDIC contract conditions in Romania

- ✚ **Positive development in Romania:** Romanian FIDIC member informed FIDIC Secretariat that new **General & Special Conditions** for the *Red & Yellow Books* were “**acceptable**” to the extent that they contained only **a few minor corrections** of **General Conditions**. For the **Special Conditions** the Ministry had reached a **form that complies with Romanian legislation**.
- ✚ **FIDIC Secretariat requested EIC to verify the Particular Conditions** and EIC concluded that, in the light of mandatory changes required by Romanian laws, the **new forms are more balanced and closer to the FIDIC framework**. Except for:
 - Sub-Clauses 1.1.3.10 and 1.1.3.11: **two supplementary reports** (“*Taking-Over Report*” and “*Performance Report*”) to be **issued by the Engineer** as a precondition for Taking-Over and Performance Certificate
 - The possibility of “**deemed acceptance**” by the Employer has been **deleted** (Sub-Clause 10.3)
- ✚ **Latest news** in October 2014: **Implementation delayed** because of **objection of the Romanian Road Authority** which insists on possibility to use “Silver Book” clauses

Working Group “Contract Conditions”

Meeting of the EIC Working Group “Contract Conditions” on 9/10/2014

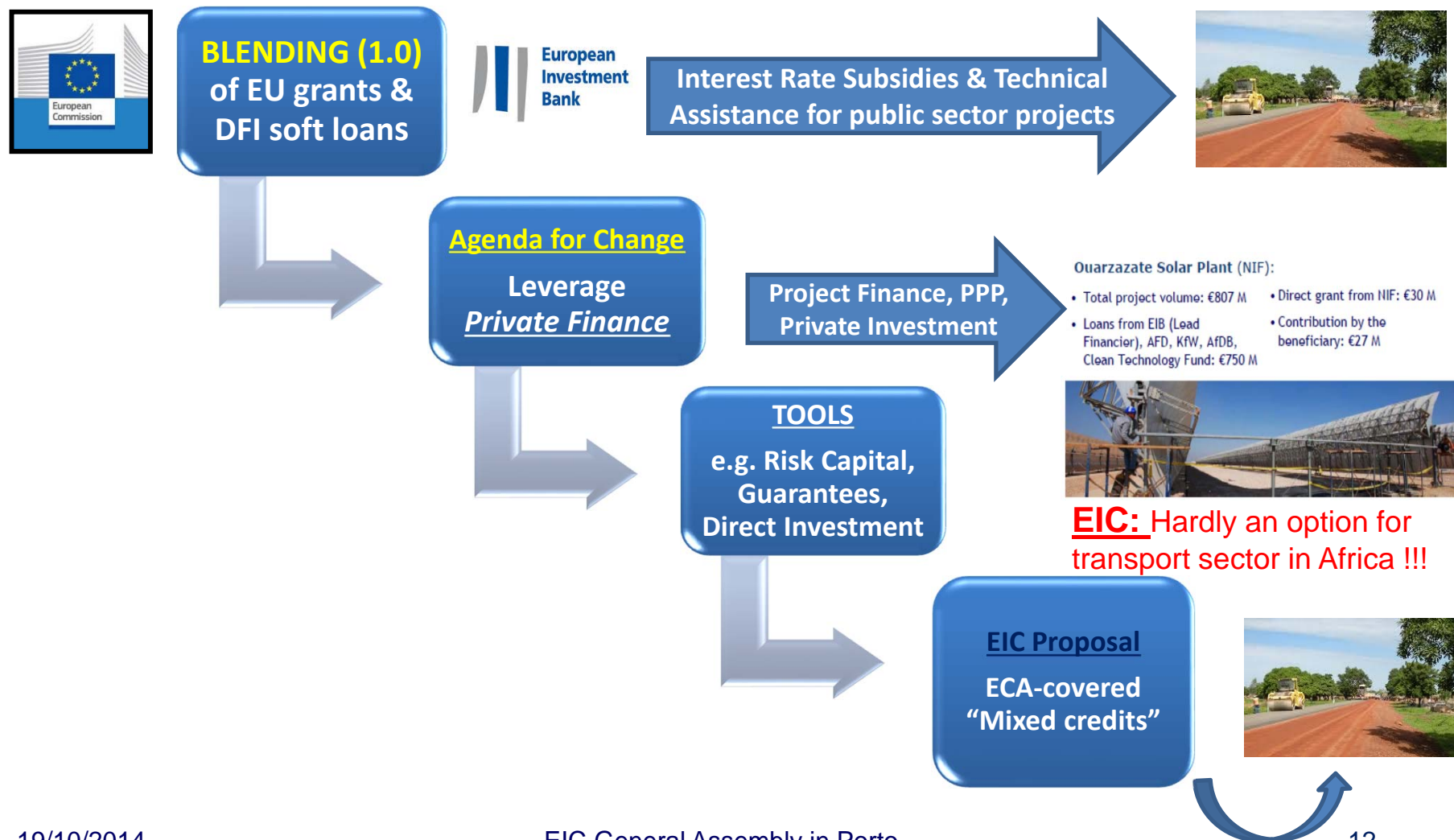


- Is the set of forms matching the **needs of the future**? What **new forms** could be needed? Are any forms to become **obsolete** soon?
- What is the **role of the Independent Engineer** in Turnkey and Design-Build projects? Are there any **alternatives**?
- How about “**Golden Clauses**” of FIDIC conditions? Clauses not to be changed in order to be FIDIC contracts?

- ✚ FIDIC proposal to draft standard **Services Agreement for Design Consultants working for contractors** (based on FIDIC “White Book”) together with CICA
- ✚ **Meeting with EBRD** re. MDB Working Group on **Abnormally Low Tenders** (Should the MDBs introduce a mechanism to reject abnormally low bids?)

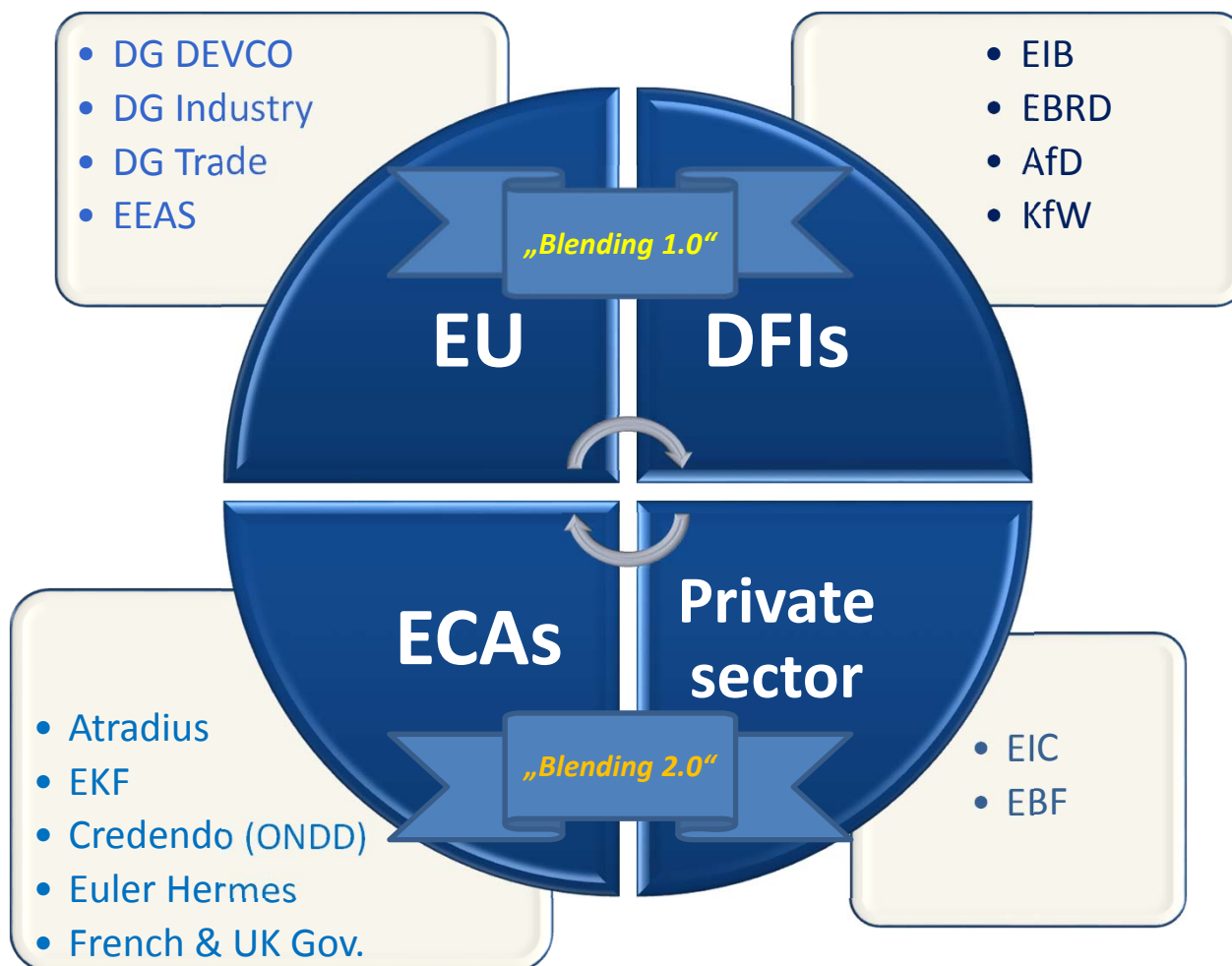
Working Group “Africa”

EU Blending Strategy



Working Group “Africa”

EU Blending Roundtable on 9th July 2014 in Brussels



✚ **Outcome:**
First systematic dialogue to engage ECAs in the EU Blending Programmes

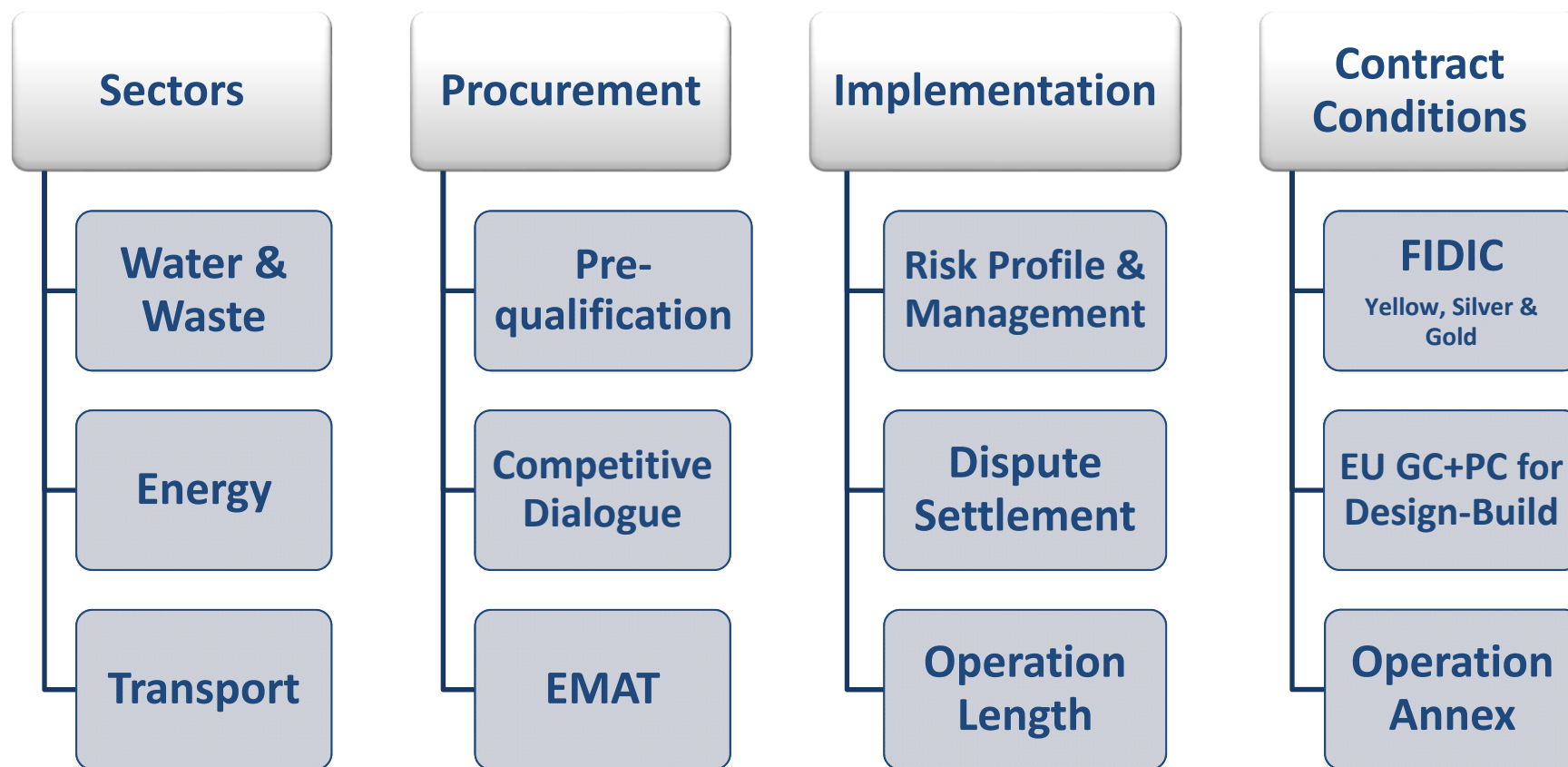
✚ **Challenges:**
“Silo mentality”, Complexity, Institutional issues

✚ **Next steps:**
Blending Study, Discussion in EUBEC-TG 6 on Private Sector Financing

Working Group “Africa”

Phase II Report on Design-Build & Operate schemes

Selected Issues & Questions discussed between DG DEVCO and EIC



Working Group “WB Procurement”

World Bank Board **endorsed in July 2014** the Framework Paper for the **proposed New Procurement Policy** and has started a **second consultation phase** (open until December 2014):



- **Prior review** solely for **highest-risk and/or highest-value contracts** to avoid diverting valuable staff time into low-value-added activities
- WB Proposal: **ICB to remain preferred and “default” method** except in case of **alternative national procurement arrangements** (in case of **WTO-GPA full members** or **co-financing** with other **MDB**)
- **Standard Bidding Documents** will “survive” in the context of ICB, but **no longer monopoly for FIDIC** (Pink Book)

Working Group “WB Procurement”

Intervention by

Bernard Becq

**International Procurement Consultant &
fr. Chief Procurement Officer
of the World Bank**

International Competitiveness

- ✚ EU Commission adopted on 31 July 2012 a Communication ***"Strategy for the sustainable competitiveness of the construction sector and its enterprises"***
- ✚ 5 Thematic Groups
 - Stimulating investment in building renovation, infrastructure and innovation
 - Skills & Qualification
 - Sustainable use of natural resources"
 - Internal Market
 - Participation in **TG International Competitiveness**
- ✚ **Topics:** EU Development Cooperation, International Trade Agreements & Reciprocity, International regulatory and standards cooperation

International Competitiveness

Intervention by

Marzena Rogalska

**Head of Unit, Sustainable Industrial Policy & Construction
DG Industry & Entrepreneurship
European Commission**

ISO Anti-Bribery Standard

- ✦ ISO has established a Project Committee **hosted by [UK-BSI \(in the light of BS 10500 \)](#)** to agree on an **Anti-Bribery Standard (ISO 37001)**
- ✦ **Terms of Reference:**
 - ISO shall develop an **anti-bribery management systems standard**
 - The standard shall apply to the **public sector**, the **private sector** and the **not-for-profit sector**
 - The standard shall be **applicable to all types of business and activities** and be **scalable for all sizes of organisation**.
- ✦ **FIEC has successfully applied for ISO liaison status, EIC Treasurer *Per Nielsen* has participated** in the latest Working Session in mid-September 2014
- ✦ ISO Standard shall be developed as **auditable Requirement Standard**
- ✦ ISO Standard will be suitable as a **stand-alone ISO Management System**
- ✦ EIC and FIEC shall **re-activate the Joint FIEC/EIC WG “Ethics”** in order to **monitor the development of such system**

Report from FIEC

Johan Willemen

FIEC President

EIC General Assembly in spring 2015

Florence, 17th April 2015

Workshop

“World Market orientations for European contractors – What’s next?”

Presentations of ACMs



(joined EIC in July 2014)

We produce customized formwork and scaffolding for the construction and oil&gas industry, worldwide.

After 50 years of history, in 2010 Pilosio became a start-up again.

The big shift from product supplier to engineering solutions provider has been decisive for the fast growing of the company.

Pilosio's goal is being something new in the market. It means a customer-centric approach with strong focus on relations.

Presentations of ACMs



Thanks to our CSR program we want to become concrete actors ourselves to help improving life's conditions worldwide.

Every year, Pilosio Building Peace Award convenes international businesses, governments, NGOs and philanthropists with the aim to create projects with a strong social impact.



A networking opportunity to talk not only about business, but what we can do thanks to business.



Presentations of ACMs



- **Sponsored EIC for several years and joined in July 2014**
- **International law firm with offices across the UK, Europe, the Gulf and Asia.**
- **The world's leading construction law firm**
- **A true infrastructure and energy sector focus**
- **Offer advice throughout all phases of the project lifecycle**