

PU Europe comments on the Commission Communication “Strategy for the sustainable competitiveness of the construction sector and its enterprises” (COM(2012)433 final)

PU Europe wishes to submit the following reactions to the publication of the above Communication:

General comments:

- PU Europe welcomes the Communication which underlines the strategic importance of the construction industry for Europe’s economy and clearly identifies the challenges lying ahead of the sector.
- Generally, PU Europe can support the five key objectives identified in the Communication as well as most of the actions proposed by the Commission.
- PU Europe urges the Commission to use CEN/TC350 standards regarding sustainable resource use and life cycle costing. If new methodologies were put in place, many millions of Euros already spend on standards development, life cycle inventories, environmental product declarations and data bases would have been wasted. In the current economic context, this would give a disastrous signal to the market.
- PU Europe regrets that the European Commission was not able to present one single holistic strategy paper for the construction industry. The forthcoming Communication on sustainable buildings should have formed a section of the current Communication as many topics overlap.

Specific comments:

- **Section 1: Job creation potential in the construction industry:** The potential as estimated by CEDEFOP (275,000 new jobs by 2020) is rather low. DG Energy sees a potential of up to two million new jobs by 2020¹. Generally, it is estimated that 19 new jobs are created per 1 million Euro invested in energy efficiency².
- **Section 2.3: Introduction of nearly zero energy buildings through EPBD implementation:** According to information published on DG Energy’s website, only a small number of Member States has notified the Commission on the implementation of the EPBD. In other words, national policies regulating the introduction of NZEBs are missing in most countries. This will substantially complicate the adaption process of the construction industry.
- **Section 2.3: Renovation of existing buildings:** The Energy Efficiency Directive (EED) should have been referred to in this paragraph. It introduces the obligation for Member States to establish long-term strategies for the renovation of the existing building stock.
- **Section 2.3: Number of low energy buildings:** It is true that the number of low energy buildings is growing too slowly. This is mainly due to the fact that, too often, the lowest initial cost is the only award criterion. In this context, it is regrettable that the European Commission did not remove “lowest cost” as award criterion for public works in the draft revised public procurement directive. The European Parliament might take a more progressive stance in this question.
- **Section 3.1.1: Short-term measures to stimulate favourable investment conditions:** The EED only refers to public buildings meeting “minimum energy performance requirements” and not “cost-optimal levels”. The 2% renovation rate for private buildings is not included in the EED. The legal ambition level is therefore significantly lower.

¹ European Commission: Impact assessment (SEC(2011) 779 final) accompanying the document Directive on energy efficiency and amending and subsequently repealing Directives 2004/8/EC and 2006/32/EC (2011)

² Energy Efficiency Industrial Forum: How Many Jobs? A Survey of the Employment Effects of Investment in Energy Efficiency of Buildings (Based on Research by Rod Janssen and Dan Staniaszek) (2012)

- **Section 3.1.1: Actions recommended to Member States regarding investment conditions:** The recommendation to apply “ambitious sustainability targets” will lead to more national and regional schemes adding to the costs of the construction industry without offering additional environmental benefits. Reference should have been made to the CEN/TC350 standards.
- **Section 3.2.2: Proposed Commission actions regarding human capital:** PU Europe cannot accept the Commission’s intention to limit the proposed initiatives to the EU social dialogue, which includes only contractors on the employers’ side. Moreover, the trade union partners of specialist engineering contractors (electrical, heating, ventilation, air-conditioning and plumbing) are also not present in the current set-up despite the importance of technical building systems for a building’s sustainability. If a holistic view on building performance is really wanted, all stakeholders including architects, engineers and producers need to be involved.

Example: air-tight building envelopes:

Nearly zero energy buildings can only be achieved if any uncontrolled ventilation is avoided. In other words, the building envelope must be air-tight. This requires the availability of building products which can achieve this. The architect must select the right products and design the building in a way that air-tightness is guaranteed. The contractor has to assemble the products correctly and according to the plans. Even when this is achieved, air-tightness might be compromised when technical installations (cable, pipes) are put in place. Proposals for product improvement must flow back to the manufacturer. In other words, all members of the supply chain must be aware of the challenges and risks and trained to cope with them.

- **Section 3.3: Improving resource efficiency, environmental performance and business opportunities:** The rapidly growing number of European, national and regional sustainability schemes is indeed a very significant burden to the construction industry. All efforts to come to one single system (or achieve mutual recognition of existing schemes based on harmonised indicators) are therefore strongly supported. PU Europe would have expected the Commission to include a clear reference to the standards developed by CEN/TC350. Industry has already spent millions of Euros to provide environmental data based on a harmonised list of indicators, and government-supported data bases for Environmental Product Declarations are established in an increasing number of countries (B, D, F, NL etc.). PU Europe supports the Commission’s intention to “develop harmonised rules on the declaration of performance characteristics of construction products in relation to a sustainable use of natural resources in the context of the CPR”, but again urges the Commission to use the TC350 methodology. Also with regards to LCC calculations in green public procurement, reference should have been made to TC350 instead of proposing the development of a new methodology.
- **Section 4: Governance and implementation of the strategy:** PU Europe supports the approach and recommends that CEPMC be invited to represent the construction products industry in the high-level tripartite strategic forum. PU Europe is willing to provide expertise to the thematic groups.

Brussels, 5th September 2012