CONSTRUCTION PRODUCTS EUROPE
LET'S BUILD AN EFFICIENT EUROPE

ANNUAL REPORT

2015-2016

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CONSTRUCTION PRODUCTS EUROPE

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Dear colleagues,

Following our June 2015 General Assembly, I have looked at the work of my predecessor and so I am striving to further develop the potential of our European industry association. Indeed, we have already come a long way together over the last four years but manufacturing and construction are crucial for the European economy and our solutions in terms of employment, growth and sustainability need to be further promoted.

The impacts of the crisis are still being felt, consumers' confidence remains low yet our world leading companies and numerous SMEs still deliver innovative solutions to the market and offer local jobs. Public and private investments are not at the levels that they should be to deliver the required efficient infrastructure and homes. It must be noted that such initiatives as the European Strategic Investment Plan prove that there is potential and political will and we must think of how best to drive these ambition levels forward.

As the European Commission is reviewing existing legislation through the REFIT programme and as new concepts, such as adaptation to climate change, green mortgages and Building Information Modelling (BIM) are taking shape, we will now take stock of current challenges and opportunities facing the construction industry and define a way forward for the whole industry. This could then serve as a "measuring stick" on which to assess and develop future actions carried out by our association, its members and our companies along with supportive stakeholders.

Last but not least, I will be looking for willing candidates to take on the Presidency as of June 2017. We need ideas, commitment and leadership and I thank all those who are involved in all our numerous activities.

Heimo Scheuch

CONSTRUCTION PRODUCTS EUROPE

Dear members,

As our fourth year comes to a close, I take the opportunity to reflect on the changes that we have successfully brought to our association and on the challenges that lay ahead.

Our combined technical expertise led by dedicated convenors has proven to be a winning solution. We were able to move from drafting reactive position papers to offering sound advice and solutions to EU policy makers. This was the case with our Sustainability Working Group and the proposal to Commission services to organise a Product Environmental Footprint (PEF) coordination group for the construction product projects. This was most welcomed and the European Commission official publicly thanked us for our support. Over the years, work on CE marking has been one of the cornerstone of our association. We were not only contracted by DG GROW to draft their informative brochure on the topic but our CPR Working Group has developed a “Smart CE marking” project to EU decision makers. It is thanks to all those involved in our Working and Task Groups that we are able to draft and deliver timely and reliable input and we are grateful to them all.

So we have proven that a knowledgeable, structured association can deliver positive messages and ideas on very specialised topics. More so, our continuous internal debates on themes like sustainability assessment methodologies and standardisation have led others to respond in kind. Having shared our recommendations with our stakeholders, CEN and the Commission are now looking at improving the current system. No clear solutions have yet been agreed but I am convinced that our continuous involvement will bring positive change in the near future.

This positive attitude, our willingness to debate new ideas and to join in alliances has allowed Construction Products Europe and FIEC, the European contractors association, to published, for the first time, two shared position papers. It took time and patience on both sides and thanks to shared interest and good cooperation, we found common ground. We strongly believe that a united European construction industry may deliver jobs and growth and this may be the first steps towards a larger alliance.

The efforts have been significant but not all issues have been resolved. Each year, we are pleased to welcome new associated members but each year we regretfully loose a national association due to the impacts of the financial crisis. We have now launched a strategy development process that will collect advice and input from all our members and stakeholders. With a long-term planning and your dedicated support, I know that we will be able to deliver further support to our industry in a time of change and challenges.

Christophe Sykes

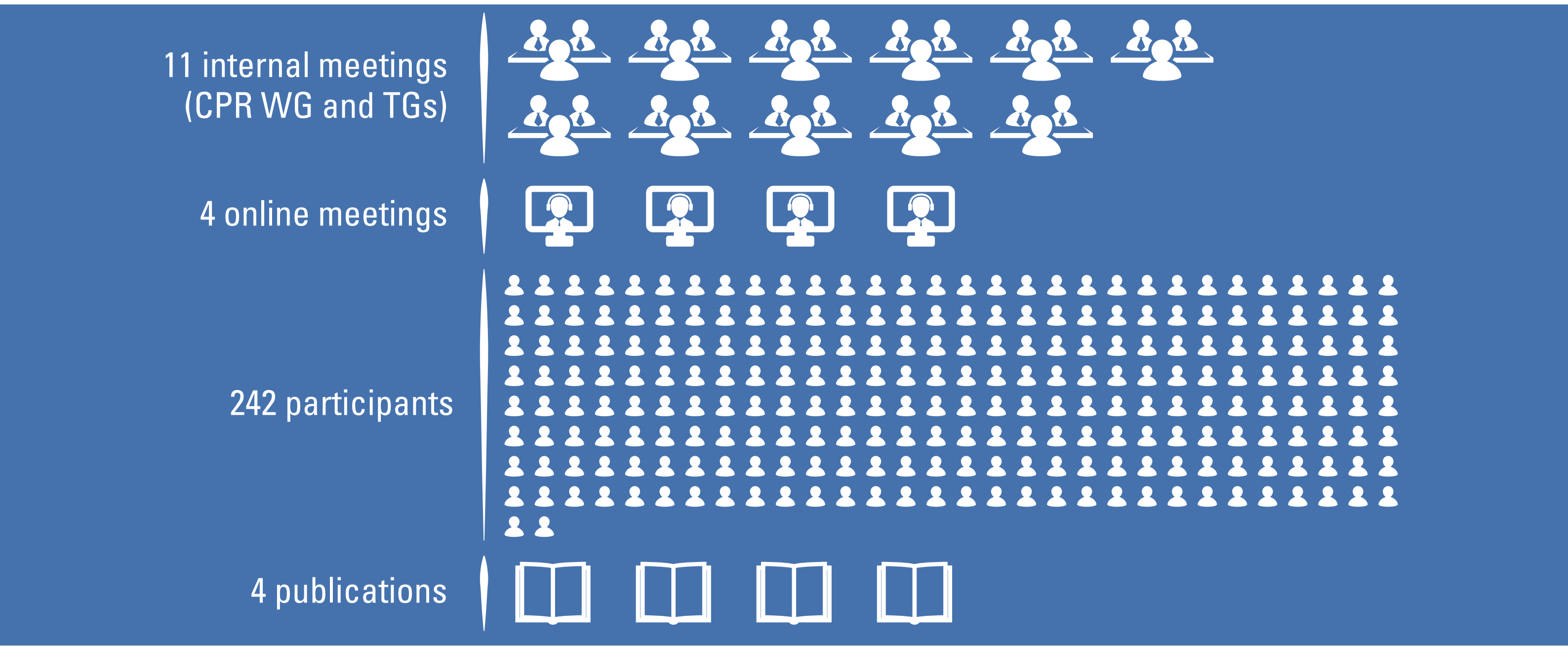
CONSTRUCTION PRODUCTS EUROPE

CPR Working Group

This working group is led by Antonio Caballero and our experts also come together in three dedicated task groups, one for the implementation of the CPR led by Pavlos Vatavalis, one for fire-related issues led by Christine Lukas and the third for dangerous substances chaired by Utz Draeger. In the coming weeks a new task group will be created to discuss EOTA issues. Barbara Sorgato and Kees Both, our representatives in the EOTA Technical Board will be the co-convenors of this new group.

Our main task this year was the development of a new initiative to improve CE marking of construction products. After a fruitful discussion our experts developed a new concept called smart CE marking. The discussion on the delegated act for declarations of performance on websites some years ago continues now with an improved system to be developed in coordination with the European Commission and other industries. The proposal was already presented to the Standing Committee on Construction and to the ad-co group of Member States for market surveillance under the CPR and it was warmly welcomed. The next steps are the development of a full working plan and the integration with existing initiatives and tools.

In parallel, the groups have focused on the resolution of problems related to CE marking and declarations of performance. We discussed issues concerning the citation of our standards in the Official Journal and disagreements between CEN Technical Committees and the European Commission on their revision. This led us to discuss a joint position paper with FIEC. Following fruitful exchanges we published two point position papers in April, one on standardisation and one on market surveillance. Both documents explain the main issues of concern and were taken into consideration by the European Commission when drafting the final version of their CPR implementation report.



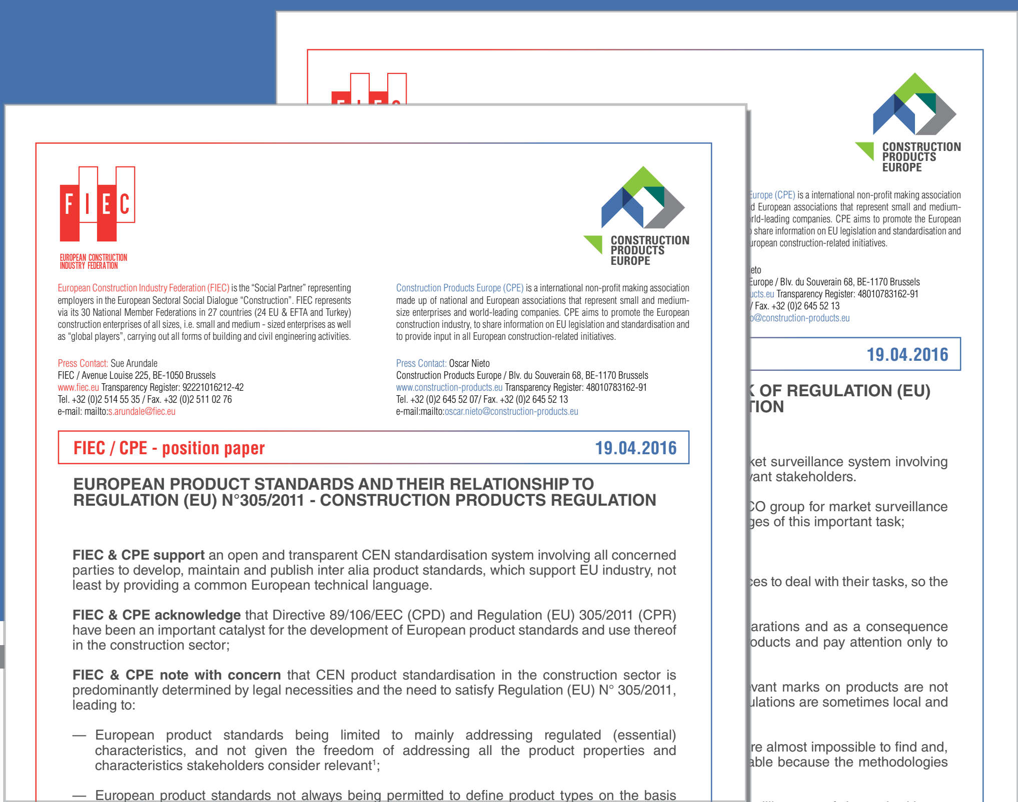
CPR Working Group

The working plan and specific tasks of the groups have been developed according to the topics discussed in the meetings of the European Commission (DG Growth unit C.1: Clean technologies and products). This year other initiatives were also on our agenda, in particular. the Joint Initiative on European Standardisation (JIES) and the CEN position paper on the implementation of the CPR.

On the main actions related to fire, the task group has been working on a list of delegated acts for the declaration of performance without testing or without further testing of some of their essential characteristics. Another important act under discussion is the fire performance classification, in particular class F. After the publication of the document in the Official Journal the experts published an article on our blog to explain how manufacturers have to deal with this new classification. On more technical issues, the task group follows the work in CEN/TC 127 to guarantee a consistent approach aligned to the interests of the whole industry.

Task group dangerous substances continues being the reference group for the industry as it reports on the latest developments in both CEN/TC 351 and the European Commission. In parallel to the development of standards for testing release of dangerous substances, the CEN Technical Committees have developed or are planning to develop the dossiers to be assessed by the European Commission. Both lines of work are slowly going forward. The first test standard (indoor air) will be sent for formal vote very soon and should be published by the end of the year or early in 2017.

Products under the EOTA route have faced some further challenges this last year. Continuous delays in the publication of European Assessment Documents and disagreements on the transfer of European Technical Assessment Guidelines to European Assessment Documents are negatively impacting the whole industry. Construction Products Europe will discuss all this topics in the new task group EOTA.



EUROPEAN CONSTRUCTION INDUSTRY FEDERATION

European Construction Industry Federation (FIEC) is the "Social Partner" representing employers in the European Sectoral Social Dialogue "Construction". FIEC represents via its 30 National Member Federations in 27 countries (24 EU & EFTA and Turkey) construction enterprises of all sizes, i.e. small and medium - sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities.

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Construction Products Europe (CPE) is a international non-profit making association made up of national and European associations that represent small and medium-size enterprises and world-leading companies. CPE aims to promote the European construction industry, to share information on EU legislation and standardisation and to provide input in all European construction-related initiatives.

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FIEC / CPE - position paper **19.04.2016**

EUROPEAN PRODUCT STANDARDS AND THEIR RELATIONSHIP TO REGULATION (EU) N°305/2011 - CONSTRUCTION PRODUCTS REGULATION

FIEC & CPE support an open and transparent CEN standardisation system involving all concerned parties to develop, maintain and publish inter alia product standards, which support EU industry, not least by providing a common European technical language.

FIEC & CPE acknowledge that Directive 89/106/EEC (CPD) and Regulation (EU) 305/2011 (CPR) have been an important catalyst for the development of European product standards and use thereof in the construction sector;

FIEC & CPE note with concern that CEN product standardisation in the construction sector is predominantly determined by legal necessities and the need to satisfy Regulation (EU) N° 305/2011, leading to:

— European product standards being limited to mainly addressing regulated (essential) characteristics, and not given the freedom of addressing all the product properties and characteristics stakeholders consider relevant[1];

— European product standards not always being permitted to define product types on the basis

Sustainability Working Group

Through our sustainability working group, Construction Products Europe works on such issues as environmental impacts, resource use, waste, recycling and other topics related to the sustainable performance of products and works. Claude Loréa is our convenor and she coordinates the actions of a task group dealing with sustainability assessment. The group is led by Marc Bosmans. He recently took over this role following the resignation of Karin Gäbel who returned to the industry. We thank her again for her support.

This year the group discussed the developments in CEN/TC 350, in particular the amendment of Mandate M/350. This initiative of the European Commission was developed to align the existing standards to the product environmental footprint approach. The final document is now being discussed in CEN. In parallel our experts monitored the work in the product environmental footprint pilot projects. We were also involved in the discussions of ECO Platform and the European Demolition Association.

On a more political level, the group published the analysis of the industry to the communication of the European Commission on circular economy. This initiative is linked to the European Commission Communication "Resource efficiency opportunities in the building sector" and its subsequent project on macro-objectives. The first document of the project was already published and discussed by our experts and the next step is the reply to the consultation the European Commission is going to launch on the indicators.

The publication of the communication on circular economy was also followed by a large number of projects related to waste management, from the more generic led by BIO by Deloitte on assessment of the current situation in Europe to the more specifics on demolition audits and waste management protocol. The outcomes of these studies are expected after the summer break.

On waste, some of our associations have collected information on their waste streams, best practices and additional information on waste management. All the details were published in a dossier. For the moment only part of the industry

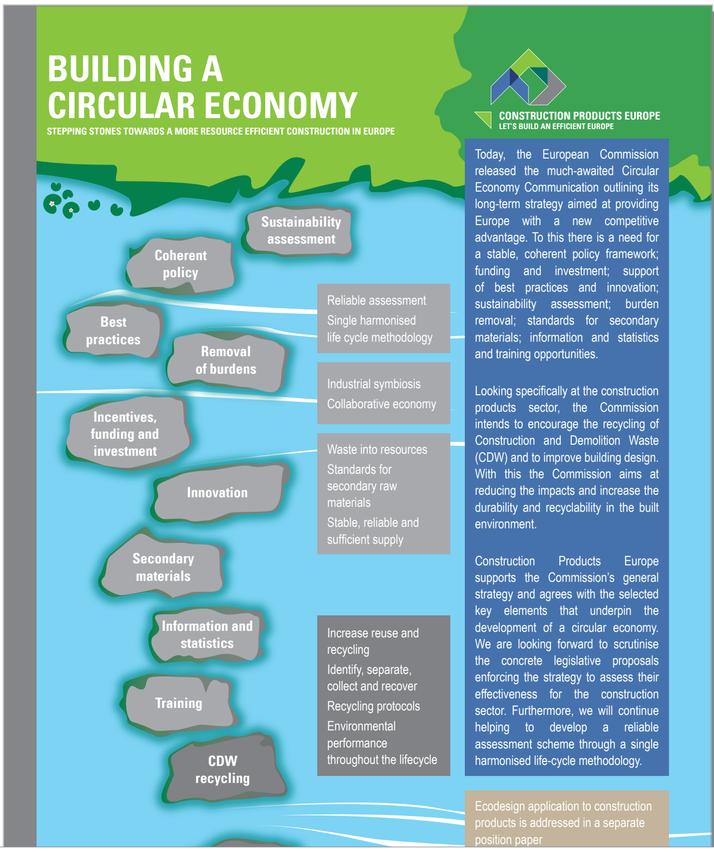
6 internal meetings (SWG and TGs)

2 online meetings

146 participants

4 publications

Sustainability Working Group



BUILDING A CIRCULAR ECONOMY

STEPPING STONES TOWARDS A MORE RESOURCE EFFICIENT CONSTRUCTION IN EUROPE

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Today, the European Commission released the much-awaited Circular Economy Communication outlining its long-term strategy aimed at providing Europe with a new competitive advantage. To this there is a need for a stable, coherent policy framework; funding and investment; support of best practices and innovation; sustainability assessment; burden removal; standards for secondary materials; information and statistics and training opportunities.

Looking specifically at the construction products sector, the Commission intends to encourage the recycling of Construction and Demolition Waste (CDW) and to improve building design. With this the Commission aims at reducing the impacts and increase the durability and recyclability in the built environment.

Construction Products Europe supports the Commission's general strategy and agrees with the selected key elements that underpin the development of a circular economy. We are looking forward to scrutinise the concrete legislative proposals enforcing the strategy to assess their effectiveness for the construction sector. Furthermore, we will continue helping to develop a reliable assessment scheme through a single harmonised life-cycle methodology.

Ecodesign application to construction products is addressed in a separate position paper

CONSTRUCTION PRODUCTS EUROPE

The success of adaptation options will depend on their potential to produce benefits that outweigh their costs. The choice of measures will be determined by the particular objectives set ...ker and it should be based on a full sustainability assessment (economic, ...ocial).

...s considered in an assessment will concern choices regarding how ...any, and when to carry out such measures. Such choices are therefore

Comparative analysis: Reparation cost vs. adaptation cost

...es in the probability and magnitude of the significant climate variables. The ...tions can involve significant costs and environmental and social impacts. ...sion-making on climate change adaptation may often involve important ...he environmental, economic and social implications of such options. These ...red with care. Allowing a greater safety margin may entail higher costs ...eater security of water resource supply could entail the high costs and ...ts of providing a reservoir.

...e criteria for decision-making will be constrained, for example by the ...atory environment, by other stakeholders and decision-makers, budgets, ...g to have a positive impact on adaptation to climate change should take ...ese restrictions and develop tools to go beyond them.

...ransport and energy sectors

...ts Europe would like to highlight the close link of construction to other sectors ...ergy. Indeed, the transport and energy systems rely on the performance of ...s and technologies. Interaction should therefore be promoted.

...ducts Europe (CPE) is a international non-profit making association ...nal and European associations that represent small and medium-size ...orld-leading companies. CPE aims to promote the European construction ...nformation on EU legislation and standardisation and to provide input in ...truction-related initiatives.

...DDUCTS EUROPE - AISBL

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PLASTICS

...Europe is one of the leading European trade associations with centres in Brussels, ...t, London, Madrid, Milan and Paris. We are networking with European and national associations and have more than 100 member companies, producing over 90% of all ...s across the EU28 member states plus Norway, Switzerland and Turkey

Applications

Application	Market/year
Pipes and ducts (essentially PVC and polyolefins)	2.3 Mt
Thermal insulation products (essentially PS and PU)	2 Mt
Profiles (essentially PVC)	1.5 Mt
Insulation and sheathing of electrical cables (essentially PE and PVC)	1.3 Mt
Resilient flooring products (essentially PVC)	0.5 Mt
Linings and waterproofing (various polymers)	0.2 – 0.3 Mt
Wall paper, coated fabrics (awnings)	0.1 Mt

PLASTICS EUROPE

Demand for plastics raw materials used to produce construction products was 9.4 million tonnes in 2013. The production of plastic for buildings and construction products in the EU was therefore around 10 million tonnes in 2013.

Statistics

Consultants estimated that in 2013 about 1400 kt of plastic waste from buildings and construction applications was available for recovery. PVC is the largest component (about 45 %), followed by polystyrene and polyurethane. About 770 kt is estimated to be recycled (280 kt, almost exclusively PVC) or incinerated with energy recovery. The remainder is landfilled.

APRIL 2016

joined the initiative but this exercise is open to other sectors.

Concerning the other dossiers, the group discussed and published an updated position paper on adaptation to climate change and resilience and worked on a position paper for ecodesign.

Next years the sustainability working group and its task groups will focus on the future revision of the Environmental Product Declaration standard (EN 15804) and on the conclusions and deliverables of the product environmental footpring pilot projects. The group will also respond to the European Commission studies on environmental indicators and the other initiatives on circular economy and waste.

CONSTRUCTION PRODUCTS EUROPE

Communications

Internal and external communication continue to grow. Our intranet now includes almost 1200 documents and we are improving our systems to organise online meetings. We have successfully organised internal and external events to discuss important topics for the industry and the feedback was extremely positive.

On social media we have more than 1000 twitter followers and almost 250 in linkedin. Our website is also an important communication tool. This year we also added a specific page in our website for job opportunities.

Our monthly newsletter is also an excellent tool to keep the industry up-to-date. The number of subscribers continues growing every year to almost 550.

1088 followers

246 followers


March 2016

CONSTRUCTION PRODUCTS EUROPE
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- Joint initiative on standardisation
- CEN position on CPR
- Mandate M/350
- RenoWiki
- Renovation strategy
- EASEE workshop
- EAD list OJEU

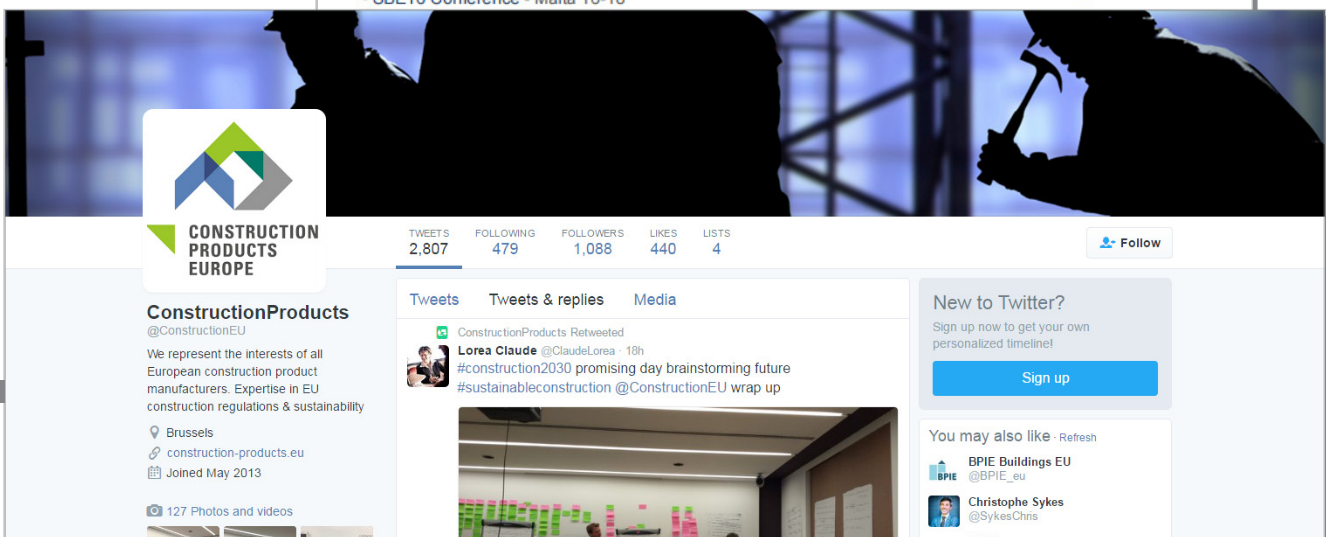
UPCOMING EVENTS

- 2nd QUALICHeCK Workshop- Athens 9-10 March
- Event on the review of EED - Brussels 14 March
- MEP awards - Brussels 16 March
- SBE16 Conference - Malta 16-18

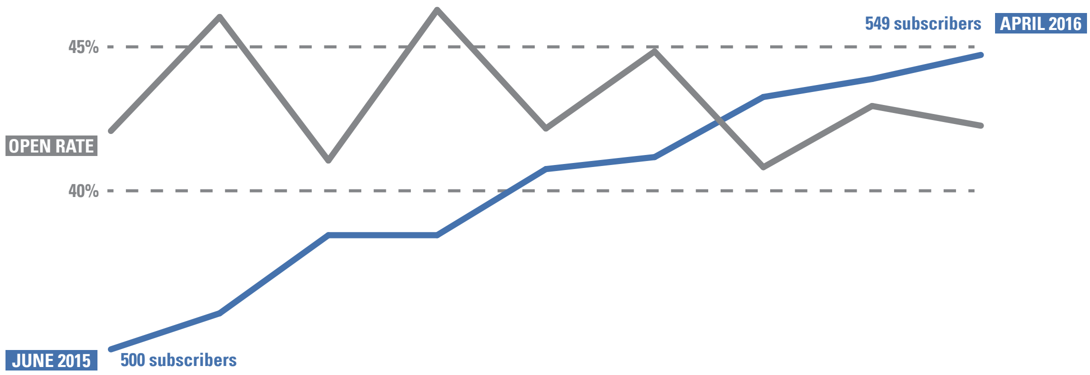
Towards smart CE marking
for construction products
22 March European Parliament

Towards smart CE marking

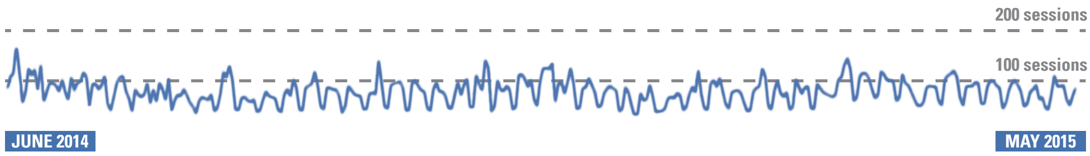
Our members are invited to sign-up for our workshop in the European Parliament on the future of CE marking of construction products. Agenda and speakers for the event are available in our website. Read more and registration...



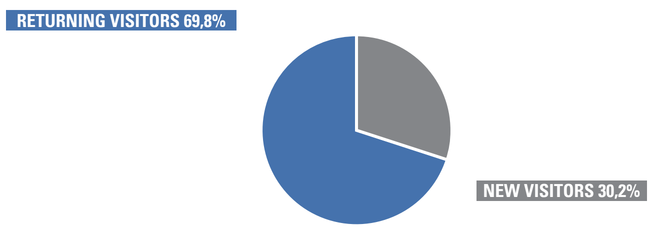
Communications



Newsletter



22.560 sessions
15,958 users
48,767 pageviews



Website

Events

Adaptation to climate change, from cities to buildings

28/10

28th October 2015

+30 members participating

Since the publication of the EU strategy on adaptation to climate change by European Commission in April 2013, we have had the opportunity to discuss this topic with a great number of our experts. These exchanges are always constructive but we believed that bringing the different actors of the construction industry together would bring greater understanding of the challenges and opportunities associated with climate change.

During the meeting we discussed how should we design, build our new homes and infrastructure. How do we deliver resilience in a circular economy and also what kind of investments are needed to provide the desired construction works.

EPD, the current debate and challenges

10/12

10th December 2015

+65 participants

Environmental Product Declarations (EPD) development is not an easy task and the Product Environmental Footprint (PEF) initiative from the European Commission has triggered a lot of discussions. More than three years after the publication of EN 15804, a great number of EPD are already available on the market while some PEF pilots are adressing construction products. Through this event, Construction products Europe brought together environmental assessment experts to collect their ideas on how to best deal with existing challenges, in particular end of life, indicators and benchmarking.

The outcome of the event was published in our website but the discussion will continue in a future event on the relationship between life cycle assessment information and CE marking under the CPR.

21/1

End-of-life & recyclability brainstorming meeting with the European Demolition Association
21st January 2016
+20 members participating

Construction Products Europe and the European Demolition Association (EDA) organised this exchange to discuss the current European projects on waste and demolition.

This meeting facilitated the coordination of both associations when discussing common issues such as waste targets, demoliltion audits, statistics or waste protocols.

During the meeting EDA presented their statistics for the sector in 2015 and explained the procedure to develop the report for 2016. This information is very relevant for the industry and complements the studies under development by consultants for the European Commission.

Other events and actions

As part of the smart CE marking initiative Construction Products Europe presented to the ad-co group of Member States on market surveillance and to the Standing Committee on Construction the concept for the future of CE marking in Europe.

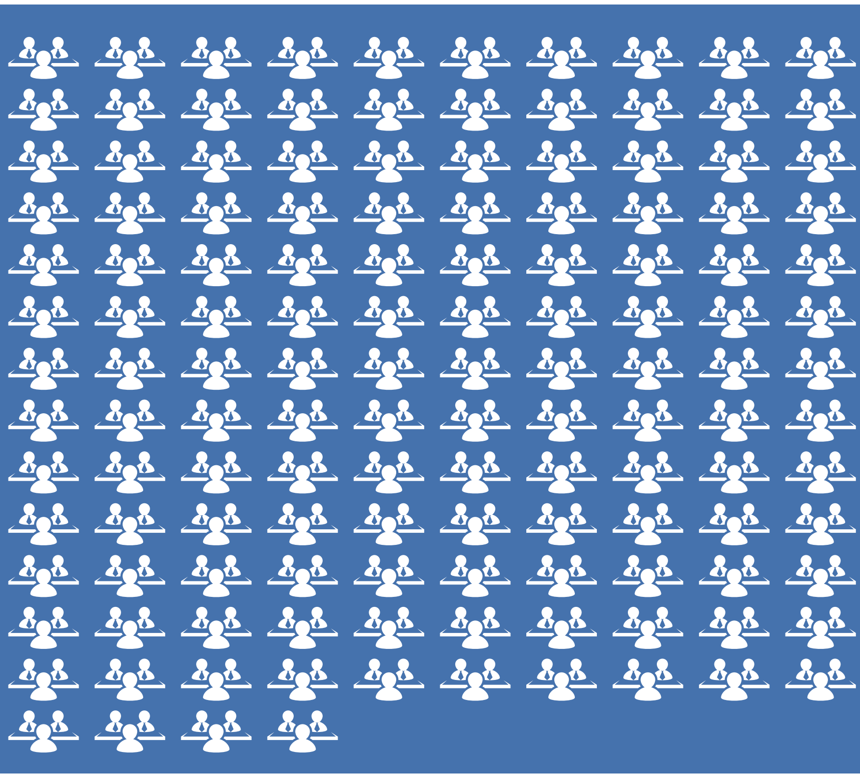
Experts from the Member States dealing with market surveillance and regulatory affairs for construction welcomed the proposal and provided interesting feedback and suggestions.

European Commission officials from different DG also provided their comments and showed their willingness to collaborate in this initiative.

Last but not least other stakeholders will be consulted in the coming weeks to further develop the concept and to agree on the milestones for its development.

In total we participated in 134 external meetings including workshops, events from our members, European Commission meetings and other events.

134 external meetings and workshops



EU construction industry figures

CONSTRUCTION PRODUCTS EUROPE

Construction industry

It is a known fact that the relative share of construction in Europe's economy has somewhat declined over recent years. Regardless, the European construction sector still accounts for more than 5 % of Gross Value Added.The importance our industry is still high, so much so that the indices for the development of construction output is a major tools for the European and National Central Banks for the monitoring and analysing economic developments.

Looking back, European construction output had delivered a steady growth until the end of 2006. This was followed by a lengthy and somewhat dramatic period of decline until 2013. Since then recovery has been slow and relatively stable.

For this year and for the next two years, a 2% GDP growth is forecasted for the European Union. This would lead to an estimated output in excess of €1400 billion per annum, which would be approximately 7% below the values recorded a decade ago.

It is worth noting that Germany, the UK, France, Italy, Spain and Poland should be the largest contributors to growth. In other words, the expansion of the market should mostly benefit Central and Southern Europe.

CONSTRUCTION INDUSTRY

Direct employment

18 million people

Share of total employment

6.5%

Number of companies

3 million

Turnover

€93.5 billion

Direct + indirect employment

42.3 million people

Share of industrial employment

28.7%

Share of companies < 20 employees

95%

Share of DGP

9%

Sources: European Commission, Euroconstruct & FIEC

TWITTER

LINKEDIN

FLICKR

BLOG

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