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The European Construction Sector Observatory

The European Construction Sector Observatory (ECSO) aims to inform European policymakers and industry stakeholders on the market conditions and policy developments through regular analysis and comparative assessments. Visit the ECSO website and gain access to a wide range of industry data and analysis. ECSO contains all the information you need to stay up to date with the latest news and practical analyses about the construction sector in Europe.

28 Country Fact Sheets, 160 Policy Fact Sheets, 9 Analytical Reports and 3 Trend Papers are now online.

IN THIS NEWSLETTER YOU WILL FIND:

- New Analytical Report**
- 5 New Policy Fact Sheets**
- Upcoming events**

Late Payment in the construction sector

The European construction sector has been afflicted by late payments for a long time. In 2020, 41% of construction companies accepted longer payment periods to avoid bankruptcy (the highest share among economic sectors) and 48% of companies stated that late payment was a threat to their survival. The issue of late payment has amplified during the COVID-19 pandemic, putting further pressure on European construction companies. This newsletter presents an analytical report dedicated to this issue, as well as several policy fact sheets tackling other issues in the construction sector including e.g. investment in sustainability.

New Analytical Report is online

Our new Analytical Report is available now for you to download, providing insights on indicators that capture the causes, state of play, impact and remedial corrective measures of late payments in the EU-27. These are expected to feed into the development of the upcoming EU Late Payment Observatory.

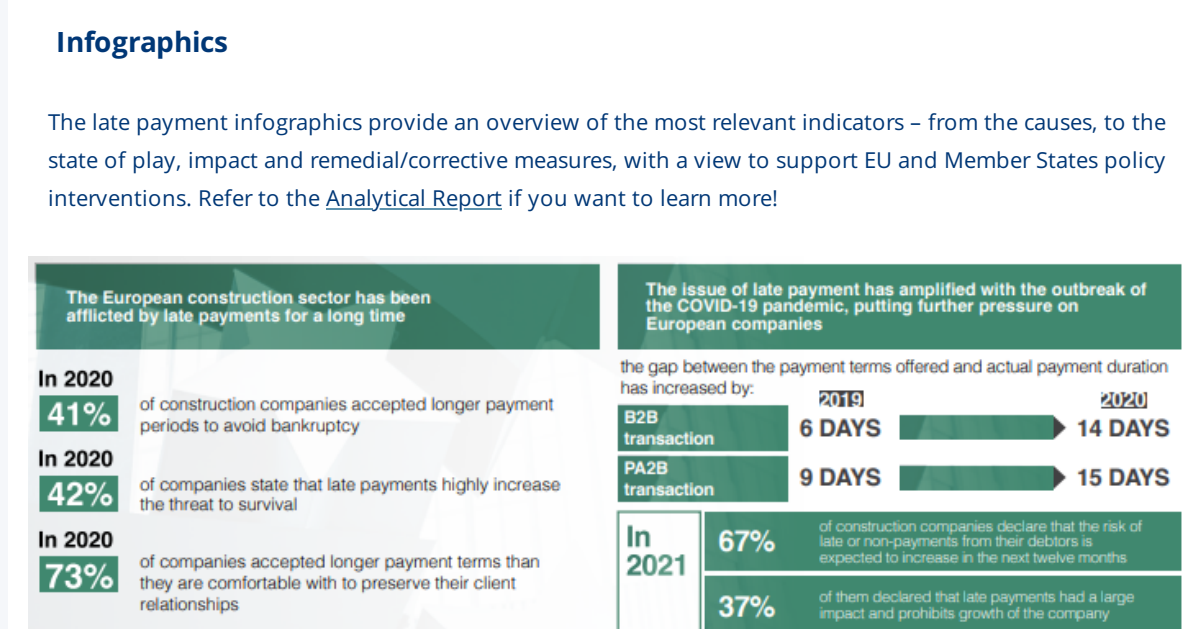
European construction companies have always wrestled with the issue of late payments in their industry. COVID-19 has further exacerbated the issue, putting increasing pressure on the companies to stay afloat. In reaction, the European Commission is developing the EU Observatory on Late Payments. This Observatory will monitor the situation of late payments in the EU and provide the necessary data to support policy-making. Our report aims to identify a set of key construction-specific indicators to be included. To do that, this report analyses existing European indicators, as well as some of the most advanced initiatives in Europe. The topic will be discussed further at the 2021 SME Assembly, which will take place in Portorož, Slovenia, on 15-17 November 2021. The Assembly will be in a hybrid format, with key sessions also available online.



Download the Analytical Report

Infographics

The late payment infographics provide an overview of the most relevant indicators – from the causes, to the state of play, impact and remedial corrective measures, with a view to support EU and Member States policy interventions. Refer to the Analytical Report if you want to learn more!



Download the infographics

Five New policy Fact Sheets are online

Five Policy Fact Sheets (PFS) are available and focus on policies in Finland, France, Italy, Poland and Romania. The PFS provide an analysis of national policies that directly affect the construction sector.

Finland – Wood Construction Programme

Through their Wood Construction programme, the Finnish government is promoting **wood construction at national and regional levels**. Using lumber in construction projects as an alternative to more energy-intensive materials, is a means of **reducing greenhouse gases**. The five priority areas the program focuses on are: increase the use of wood in urban construction; promote the use of wood in public construction projects; increase the construction of large wooden structures (like apartments); increase regional competences; and export services of knowledge and support. Since its implementation in 2016, independent evaluators have considered the programme a success.

Read the full Policy Fact Sheet

France – Wood Plan (Plan Bois) I-IV

The French Wood Plans I-IV, created a legal framework for the uptake of wood in construction projects. Wood Plan I focused on identifying and removing obstacles to using lumber as a construction material. Wood Plan II emphasised **upskilling the workforce** on how to use wood materials in construction, increasing the use of lumber in new construction as well as refurbishments. Plan III **raised awareness of wood-based solutions**, while Wood Plan IV, ongoing until 2024, is promoting the **economic competitiveness and environmental benefits of wood materials**. Although Plans I through IV reached most of their objectives, the uptake of wood construction in France, so far, has not increased significantly.

Read the full Policy Fact Sheet

Italy – Home Plan (Piano Casa)

After the 2008 financial crisis, Italy launched the Home Plan, whose objective was to **support construction sector activities on two fronts**. The first was providing housing subsidies to disadvantaged areas of the population, and the second was supporting private construction. Although the Plan was supposed to run for a limited period, **many regions have extended the measure or made it permanent**. Overall, the Plan was launched to stimulate the economy by increasing construction activities. Unfortunately, Home Plan did not meet its expected targets. In fact, data shows a decline in construction activity between 2011 and 2019. Nonetheless, supporters of the Home Plan boast that it is an **essential tool to help Italian citizens make improvements to their quality of living**.

Read the full Policy Fact Sheet

Poland – Asbestos Removal Programme 2009-2032 (incl. Asbestos Database)

The Asbestos Removal Programme (ARP) is a Polish government initiative to **remove and neutralise asbestos-containing products**, minimise their negative health effects, and eliminate the harmful effects of asbestos on the environment. The Asbestos Database was introduced in 2012 as a way of charting progress. Local governments are required to use this free IT tool to **track the inventory of asbestos-containing products** in their regions. Despite not reaching its original targets of removal or neutralisation, **ARP has made significant progress**. Several education and information projects were launched, former asbestos processing plants have been cleared of harmful materials, and critical asbestos-related data was collected from 99% of Polish municipalities.

Read the full Policy Fact Sheet

Romania – Green House Programme

The Green House Programme was first implemented between 2010 and 2011 and then repeated in 2016, and most recently launched again between 2019 and 2021. The programme encourages **private citizens and public institutions to switch to renewable-energy heating sources**. The latest edition of the programme focuses specifically on the **installation of photovoltaic solar panels** in individual households. As of February 2021, less than 7% of the accepted applications were installed, partly due to the COVID-19 pandemic restrictions. Nonetheless, government officials believe this latest programme will advance the technology and **establish good practices of solar panels across the EU**. A budget of **EUR 116 million** (RON 536 million) from the European Agricultural Fund for Rural Development and **EUR 26 million** (RON 120 million) from the national budget was allocated to the **Green House Photovoltaic Systems Programme**.

Read the full Policy Fact Sheet

Construction News and Events

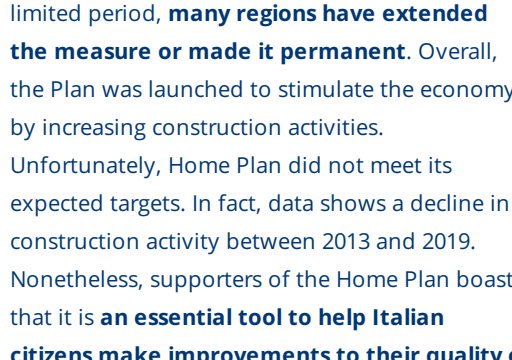
Construction is changing rapidly, with new business models, concepts and technologies introduced to best respond to new demands and requirements. To keep you aware, please find below a quick summary of news and upcoming events.

Construction News

Study on circular economy principles for buildings' design

The study has assisted the European Commission with identifying policy options that support the uptake of circular economy principles for buildings' design. The goal is to increase the service life of buildings, facilitate the use of secondary materials, and improve resource efficiency across the building lifecycle. Now policy options have been developed following the assessment of case studies, an online survey and analysis of potential synergies with existing EU initiatives.

Read the full study



COVID-19: A catalyst for change for the EU Construction Industry

COVID-19 has affected the construction industry more than most others. Notwithstanding, some experts believe that the tragedy of this health crisis can be a catalyst for positive change in the EU construction sector. The industry that was historically slow to adapt to technological changes, was forced to do so with the onset of social distancing and other restrictions aimed at preventing the spread of the virus. Many contractors took up practices like digital manufacturing or offsite fabrication. Most industry experts agree that there is great potential to further develop the EU construction sector moving forward.

Read the full article

Upcoming Events



1st High Level Construction Forum

28 September 2021, 10:00 – 16:30 | Virtual Meeting

The European Commission (DG GROW) would like to invite you to the 1st High Level Construction Forum. The purpose of the 1st High Level Construction Forum will be to initiate discussions for the green, digital and resilient transition pathway for the EU construction industry ecosystem.

This tri-partite event will bring together stakeholders from the sector, Member States and the European Commission. High-level representatives will introduce key aspects to be considered for the development of targets and actions for the transition pathway. The virtual event will consist of two sessions: Morning session, featuring current trends, opportunities and challenges in the construction ecosystem; Afternoon session featuring co-creating a green, digital and resilient construction ecosystem.

Additional information will be sent to registered participants closer to the date of the meeting. Registration will close on 24 September CDT.

Register here

BUDAPEST CLIMATE SUMMIT

Budapest Climate Summit

07-08 October 2021 | Budapest, Hungary

The Budapest Climate Summit focuses on the green transition of the Central and Eastern European (CEE) economy. The summit will feature policy-makers, industry experts, corporate leaders, technology pioneers and next generation sustainability leaders. The event will provide the opportunity to network, get the latest information about climate-related projects and technologies and find meaningful partnerships, investors and clients.

Get more information

European BIM Summit 2021

22 October 2021, Barcelona, Spain

The European BIM Summit will be held in a hybrid format: physical conferences and online sessions. Pricing itself as the most important BIM summit globally, the event will feature the latest BIM technologies and will bring together the foremost experts in the construction sector. The three roundtables to look forward to are: the collaborative BIM Execution Plan (PEB), Industrialization of Construction, and the Digital Twin for the use of data in BIM models.

Get more information

SME Assembly 2021

15 - 17 November 2021, Portorož, Slovenia

The SME assembly takes place during the European SME weeks. This on-site event will feature a combination of high-level panels and interviews, expert roundtables, interactive workshops, informative masterclasses, and innovative networking opportunities. We will address the pressing questions that we face as a community, on how to move forward in light of the COVID-19 health crisis.

Get updates and information



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