



EUROPEAN
INTERNATIONAL
CONTRACTORS



EIC GENERAL ASSEMBLY

ROTTERDAM, 09 OCTOBER 2015





OVERVIEW OF RECENT EIC ACTIVITIES



- EIC Working Group „Contract Conditions”**

 - Meeting with EBRD’s Director of Procurement to discuss MDB policy on “Abnormally Low Tenders”
 - Meeting with Task Force Leader for new FIDIC Conditions of Contract for Underground Works

- EIC Working Group „World Bank Procurement”**

 - EIC comments on the World Bank’s New Procurement Framework

- EIC Working Group „Africa”**

 - Meeting with EU Development Commissioner on EIC proposal for revised “Blending 2.0” instrument
 - Preparation for Joint CICA/EIC Mission to the African Development Bank

- EIC FIDIC Annual Conference 2015**

 - EIC presentation on “Integrity Management & Reputational Risk”

- EIC Joint FIEC/EIC Working Group “Poland”**

 - FIEC/EIC participation at Parliamentary Hearing of the Sejm’s Road Sub-Committee

- EIC New ISO Anti-Bribery Management System**

 - FIEC/EIC participation at latest meeting of the ISO 37001 Project Committee end of September 2015





MEMBERSHIP ISSUES



EIC EIC is **still missing a U.K. Member Federation**



Talks over a dinner hosted by Pinsent Masons in February in London with several British international contractors have not yet led to the desired effect

EIC Number of **Associate Member Companies** remains at 8 companies:
Aecom, Cybarco, EY, Langan International, Pulosio, Pinsent Masons, Rambøll, Thales Italy





EIC INTL CONTRACT STATISTICS 2014 TURNOVER



Volume of Turnover of European international contractors in 2014 (in million €)

	Austria	Belgium	Denmark	Finland	France	Germany	Great Britain ²⁾	Italy	Nether-lands	Portugal	Spain	Sweden ³⁾	Turkey	Total	Difference to prev. Year (in %)
Companies reporting	4	4	6	8	12	14	2	36	8	20	13	3	42	172	-2%
International Total⁵⁾	14.112	5.736	539	1.972	34.149	26.726	5.465	10.469	13.204	5.640	15.526	15.329	15.974	164.841	1%
- without Europe	935	4.009	50	3	14.934	23.601	4.017	7.483	4.431	5.154	9.870	5.331	13.025	92.843	-1%
- without Europe + North America	834	4.002	50	3	10.389	14.367	3.912	6.939	3.589	5.154	6.540	0	12.886	68.665	-2%
- without Europe, North America & Australia	818	2.874	50	3	9.598	1.856	3.627 ⁴⁾	6.782	2.588	5.154	6.265	0	12.873	48.861	7%
<i>Regional Total</i>															
Europe	13.177	1.727	489	1.969	19.215	3.125	1.448	2.986	8.773	486	5.656	9.998	2.949	71.998	4%
North America (USA and Canada)	101	7	0	0	4.545	9.234	105	544	842	0	3.330	5.331	139	24.178	2%
America (Central and South)	154	545	0	0	1.144	495	322	3.122	644	1.579	4.121	0	26	12.152	-5%
Oceania/Australia	16	1.128	0	0	791	12.511	569	157	1.001	0	275	0	13	25.875	-14%
Asia (Without Middle East)	92	399	16	3	2.984	270		302	758	0	355	0	4.234		
Africa (Without Middle East)	158	781	20	0	4.209	607	543	2.173	516	3.570	778	0	3.242	16.597	12%
Middle East¹⁾	414	1.149	14	0	1.261	484	2.478	1.185	670	5	1.011	0	5.371	14.042	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 2014; published on August 24, 2015. - Currency rate: 1 EUR = 1.33 US\$; Official rate for 2014 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.
 5) Bulgarian Construction Companies' turnover is not included but amounted for about 50 Million Euros

EIC INTL CONTRACT STATISTICS 2014

TURNOVER

Volume of “EIC countries” ODA in 2013 (in million US\$)



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	Austria	Belgium	Denmark	Finland	France	Germany	Great Britain	Italy	Netherlands	Portugal	Spain	Sweden	Switzerland	Turkey	Total/ Average
Net Development Assistance in % of Gross National Income ¹⁾	0.27	0.45	0.85	0.54	0.41	0.38	0.71	0.17	0.67	0.23	0.17	1.01	0.47	0.42	0.48
Official Development Assistance (ODA) in million DOLLARS	1.171	2.300	2.927	1.435	11.342	14.228	17.920	3.407	5.435	488	2.375	5.827	3.197	3.308	75.360
% of ODA provided bilaterally	46	57	73	57	60	66	59	25	67	62	40	67	78	95,5	62
% of ODA provided multilaterally	54	43	27	43	40	34	41	75	33	38	60	33	22	4,5	38
Bilateral ODA Repartition across Sectors (Million DOLLARS)	Austria	Belgium	Denmark	Finland	France	Germany	Great Britain	Italy	Netherlands	Portugal	Spain	Sweden	Switzerland	Turkey	Total
Economic infrastructures and services	48	41	274	61	1.524	3.218	1.106	18	229	21	18	168	143	45	6.914
Other social sectors	91	166	605	194	578	2.183	1.633	99	970	72	205	1.194	511	702	9.203
Education	135	106	116	65	1.102	1.410	1.275	63	102	50	58	98	88	0	4.668
Multisector/cross-cutting	38	225	229	33	931	1.326	1.275	52	565	0	41	278	317	562	5.872
Production sectors	78	148	169	77	298	532	589	74	609	0	82	341	145	14	3.156
Humanitarian aid	15	158	200	142	0	448	1.781	42	204	0	38	367	343	1.629	5.367
Administrative costs	31	86	131	82	394	427	294	0	281	11	135	255	230	0	2.357
Programme assistance	61	146	173	27	639	0	273	400	442	125	0	833	489	20	3.628
Action relating to debt	37	0	0	0	809	0	0	3	11	0	256	0	0	0	1.116
Health and population	0	142	49	23	468	647	2.118	70	233	16	64	289	93	4	4.216
Others/unallocated	9	89	198	120	60	260	200	30	0	7	49	94	147	183	1.446
Total	543	1.307	2.144	823	6.803	9.451	10.544	851	3.646	302	946	3.917	2.506	3.159	46.942
ODA to Multilateral Organisations (Million DOLLARS)	Austria	Belgium	Denmark	Finland	France	Germany	Great Britain	Italy	Netherlands	Portugal	Spain	Sweden	Switzerland	Turkey	Total
World Bank Group	187	197	94	103	563	880	1.892	420	262	2	53	412	288	6	5.359
Regional Development Banks	69	59	73	57	325	332	414	217	160	8	143	109	80	56	2.102
United Nations Agencies	50	147	274	210	252	407	734	196	568	17	128	754	210	47	3.994
European Union (of which EDF)	299 (103)	496 (138)	260 (75)	198 (62)	2.272 (847)	2.620 (545)	1.907 (636)	1.620 (545)	645 (207)	157 (45)	1.033 (320)	372 (108)	0	0	11879 (3631)
Other Multilateral	23	94	82	44	1.127	538	2.429	103	154	2	72	263	113	40	5.084
Total	628	993	783	612	4.539	4.777	7.376	2.556	1.789	186	1.429	1.910	691	149	28.418

1) EIC calculations made from tables A.4 and 15 of the OECD Development Co-operation Report 2015

2) The gross national income (GNI) is the total domestic and foreign output claimed by residents of a country, consisting of gross domestic product (GDP) plus factor incomes earned by foreign residents, minus income earned in the domestic economy by nonresidents.



PR ACTIVITIES

FACTSHEET



EU BLENDING 2.0

September 2015

POLICY CONTEXT

The European Union has announced upon the adoption of the 'Agenda for Change of EU Development Policy' in October 2011 to develop new ways of engaging with the private sector with a view to leveraging private sector activity and resources for delivering public goods. The EU further expressed its readiness to explore up-front grant funding and risk-sharing mechanisms to catalyse public-private partnerships (PPP) and private investment. At the same time, the EU announced to only invest in infrastructure, where the private sector is unable to do so on commercial terms. Until the end of 2014 more than €2 billion of EU grants have leveraged almost €20 billion of loans by finance institutions and regional development banks and lead to investments in EU partner countries of more than €44 billion. In view of the so-called 'Post 2015 Sustainable Development Goals' the EU has announced to invest up to €8 billion as a key contribution to the aim to generate over €40 billion from public finance institutions which should help mobilise over €100 billion by 2020.

EIC POSITION

EIC has welcomed this new direction of EU development policy which aims at leveraging private sector capital and expertise for infrastructure investments in developing countries through EU regional blending facilities. As concerns Africa, however, the potential to develop PPP and private investments in the infrastructure sector is presently limited. Against that background, EIC considers the "mixed credit scheme", i.e. financing packages in which concessional loans and market rate loans are combined, as a more appropriate option to attract non-developmental sources of finance for so-called "commercially non-viable" infrastructure investments in Africa.

EIC has elaborated an innovative proposal that takes the conventional EU Blending (1.0) option of injecting EU grant money in the form of interest rate subsidies into concessional loans to African governments one step further. EIC's innovative "TF Blending 2.0" concept suggests that eligible Development Finance Institutions, instead of disbursing the full amount of concessional loans on their own, could syndicate a certain tranche of the loan amongst commercial banks to the extent that such funds can be guaranteed by comprehensive insurance cover from export credit agencies (ECAs). This "Blending 2.0" model could catalyse additional private sector finance for typical public sector infrastructure projects that do not generate sufficient direct project income, but are critical for social and economic development of the country, including transport and water projects.

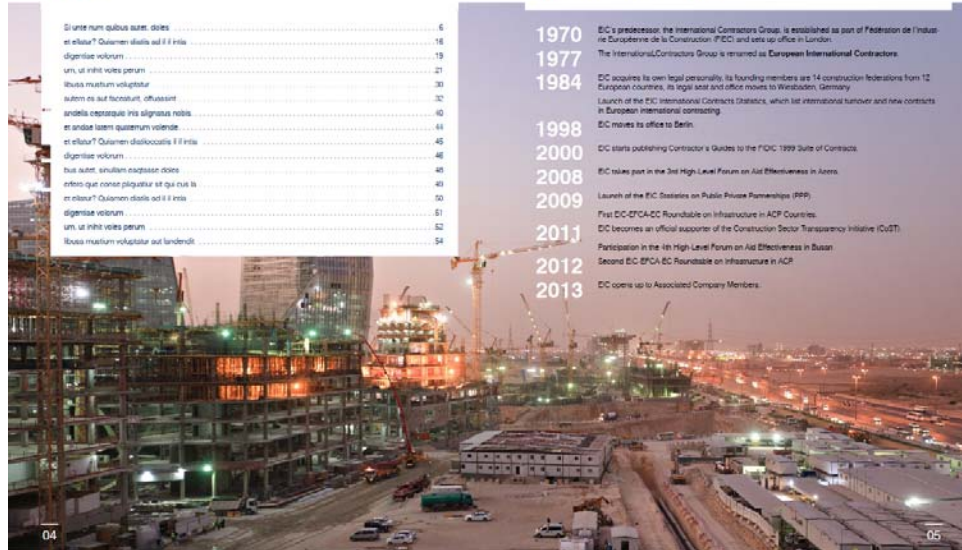
The „***EIC Pocket Guide***“ shall provide readers with a quick and concise **overview** on the **EIC history, membership, structure, mission and activities**

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EIC KEY FACTS & FIGURES

- 1970** EIC's predecessor, the International Contractors Group, is established as part of Fédération de l'Industrie Européenne de la Construction (FIEC) and sets up office in London.
- 1977** The International Contractors Group is renamed as **European International Contractors**.
- 1984** EIC acquires its own legal personality, its founding members are 14 construction federations from 12 European countries, its legal seat and office moves to Wiesbaden, Germany. Launch of the EIC International Contracts Database, which set international turnover and new contracts in European international contracting. EIC moves its office to Berlin.
- 1998** EIC starts publishing Contractor's Guides to the FIDIC 1999 Suite of Contracts.
- 2000** EIC takes part in the 3rd High Level Forum on Aid Effectiveness in Accra.
- 2008** Launch of the EIC Database on Public-Private Partnerships (PPP).
- 2009** First EIC-EPCA-EC Roundtable on Infrastructure in ACP Countries. EIC becomes an official supporter of the Construction Sector Transparency Initiative (CSTI).
- 2011** Participation in the 4th High Level Forum on Aid Effectiveness in Busan. Second EIC-EPCA-EC Roundtable on Infrastructure in ACP.
- 2012**
- 2013** EIC comes up to Associated Company Members.



WORKING GROUP "CONTRACT CONDITIONS": FIDIC-ITA TASK GROUP ON UNDERGROUND WORKS



Example



Tender:

Water diversion tunnel, length 1'000m. Only excavation and rock support, Drill+Blast, only one excavation face possible.

"Baseline ground conditions":

- "Section A": horseshoe, no rock support required: **500m**
- "Section B": circular section, heavy ring beams, steel fibre reinforced shotcrete, additional bolting: **500m***

Tenderers requested to offer a Price and a Time for Completion**.

*) in red: responsibility of the Employer

***) for the sake of simplification, fixed and value related costs are not considered in this example

Contract:

Production rate and price for production

Section A: **10 m/day**, **1000 €/m** (> time estimate for section A: 500/10 = 50 d)

Section B: **1 m/day**, **10'000 €/m**(> time estimate for section B: 500/1= 500 d)

Price for time related cost (immobilisation etc.): **100'000 €/month*****

Estimated time for completion: 500+50 = **550 d/30** = **18.33 months**

Price for production related cost: 500m * 1000€ + 500m * 10'000 € = 5'500'000 €

Price for time related cost: 18.33 months * 100'000 € = 1'833'000 €

Contract price: = **7'333'000 €**

***) in green: responsibility of the Contractor

WORKING GROUP "CONTRACT CONDITIONS": FIDIC-ITA TASK GROUP ON UNDERGROUND WORKS



Example



Realisation, scenario 1: Ground better than anticipated, production rates as anticipated

"Actual ground conditions":	Actual production rates:	Actual time for completion:
"Section A": 800m	10m/day	80 days = 2.67 months
"Section B": 200m	1m/day	200 days = 6.67 months

"Adjusted time for completion", based on actual ground conditions and agreed production rates:

$$T = 800\text{m}/10\text{m/d} + 200\text{m}/1\text{m/d} = 80 + 200 = 280 \text{ days} = \mathbf{9.33 \text{ months}}$$

Price paid by the Employer:

Section A: 800m * 1'000 €/m = 800'000 €

Section B: 200m * 10'000 €/m = 2'000'000 €

Price for time related cost: 9.33 months x 100'000 €/m = 933'000 €

"Adjusted contract price": = 3'733'000 €**

**) for the sake of simplification, fixed and value related costs are not considered in this example

Actual time for completion = "adjusted time for completion"

Ground better > gain to Employer, production rates as agreed > no pain, no gain to Contractor

WORKING GROUP "CONTRACT CONDITIONS": FIDIC-ITA TASK GROUP ON UNDERGROUND WORKS



Example



Realisation, scenario 2: **Ground worse** than anticipated, **production rates better than anticipated**

"Actual ground conditions":	Actual production rates:	Actual time for completion:
"Section A": 400m	16m/day	25 days = 0.83 months
"Section B": 600m	2m/day	300 days = 10 months

"Adjusted time for completion", based on **actual ground conditions** and on **agreed production rates**:

$$T = 400\text{m}/10\text{m/d} + 600\text{m}/1\text{m/d} = 40 + 600 = 640 \text{ days} = \mathbf{21.33 \text{ months}}$$

Price paid by the Employer:

$$\text{Section A: } 400\text{m} * 1'000 \text{ €/m} = 400'000 \text{ €}$$

$$\text{Section B: } 600\text{m} * 10'000 \text{ €/m} = 6'000'000 \text{ €}$$

$$\text{Price for time related cost: } 21.33 \text{ months} * 100'000 \text{ €/m} = \mathbf{2'133'000 \text{ €}}$$

$$\mathbf{\text{"Adjusted contract price": } = 8'533'000 \text{ €}^{**}}$$

***) for the sake of simplification, fixed and value related costs are not considered in this example

(Actual time for completion:

$$t = 400\text{m}/16\text{m/d} + 600\text{m}/2\text{m/d} = 25 + 300 = 325 \text{ days} = 10.83 \text{ months: no influence on time for completion, nor for remuneration.}$$

$$\text{Equivalent gain due to paid price for time related cost: } 10.5 \text{ months} * 100'000 \text{ €} = 1'050'000 \text{ €}$$

Worse ground > pain on Employer; better production rates in actual ground > gain to Contractor



WORKING GROUP "CONTRACT CONDITIONS": MDB WORKING GROUP ON ABNORMALLY LOW TENDERS

EBRD proposes use of arithmetic formula of "Standard Deviation"

- EIC Country: Bosnia and Herzegovina
- EIC Project: Construction of Sarajevo Bypass
- EIC Contract: Construction of Josanica-Butila
- EIC Procurement method: EBRD Open international tender
- EIC Cost estimates: EUR 70,200,000



JOSANICA - BUTILA	BUTILA - VLAKOVO
PROJEKTOVANJE 100% Glavni projekt Završeno: 11/2009 EKSPROPIJACIJA 100% Završeno GRADEVINSKA DOZVOLA 100% Građevinska dozvola dobivena u augustu 2012. IZGRADENJA Početak: Završetak: 05/2013 Vrijednost ugovora: 57 miliona € sa PDV-om Završeno do sada: 100% Izvor finansiranja: EBRD, EIB, OPEC Finansijski podaci Dužina: 5,8 km Troškovi izgradnje: 57 miliona € Troškovi nadzora: 2,5 miliona € Izvor finansiranja: EBRD, EIB, OPEC Napomena: Projekt završen	PROJEKTOVANJE 100% Glavni projekt Završeno: 11/2009 EKSPROPIJACIJA 100% Završeno GRADEVINSKA DOZVOLA 100% Građevinska dozvola dobivena u septembru 2012. IZGRADNJA Početak: 07/2013 Završetak: 08/2014 Vrijednost ugovora: 23 miliona € sa PDV-om Završeno do sada: 10% Izvor finansiranja: JPAC sredstva Finansijski podaci Dužina: 3 km Troškovi izgradnje: 23 miliona € Troškovi nadzora: N/A Izvor finansiranja: JPAC sredstva Napomena: Izvođač: Komanonj; Euroasfalt; Zoj; Nadzor: Ega International

1	2	3	4	5
56,746,728	59,301,721	66,241,207	67,955,354	69,968,048
6	7	8	9	
73,270,844	78,208,290	105,576,554	120,295,563	
MEAN = 77,507,145		STAND.DEV. = 20,206,178		ALT RISK = NO. 1



WORKING GROUP "AFRICA": JOINT CICA-EIC MISSION TO AFDB – DRAFT PROGRAMME



- EIC** Date: 19-20 November 2015
- EIC** Heads of Mission: *Emre Aykar* (CICA President) & *Philippe Dessoy* (EIC President)
- EIC** Topics to be discussed:
 - **Reform of the AfDB Procurement Rules** - Implementation of the new Procurement Policy and related challenges
 - **Public Private Partnerships** - The Use of the International Center of Excellence on Concessions and PPP
 - How can CICA-EIC contribute to **capacity-building** in the national private sector
 - Development of Infrastructure in Africa, including topics such as **professional training** and **co-financing** with Multilateral Development Banks and Development Finance Institutions;
- EIC** Participants up to date: Companies from BE, FR, NL and TR + 1 ACM
- EIC** If you like to join, please contact the EIC Secretariat





WORKING GROUP "WB PROCUREMENT" GENERAL

- Final approval of New Procurement Framework by WB Executive Directors on 21 July and implementation of the new rules and regulations is planned for 1st January 2016
- Main changes of the new Procurement policy (*see also EIC commentary on our Homepage*)

TOPIC	POSITIVE	NEGATIVE
ALTERNATIVE PROCUREMENT SYSTEMS (APA)	APA instead of Country Procurement Systems APA need to run through rigid Bank assessment Bank remains responsible for complaints handling	No exception for high-risk/-value projects Yardstick is "acceptable" (not "equivalent") Bank has a wide discretion to proceed
SUSTAINABLE PROCUREMENT	Borrower may include sustainability requirements	SP is not a mandatory requirement Related Annex VII is very general
ABNORMALLY LOW BIDS	Borrower has the possibility to reject an ALT following a clarification procedure	Borrower is not obliged to reject ALT Borrower may also increase the Perf. Sec.
INTERNATIONAL COMPETITIVE BIDDING	ICB is the "preferred option" for complex, high-risk and/or high-value contracts, also under APA Bank has established ICB thresholds by country	ICB is not an obligation for complex, high-risk and/or high-value contracts under APA ICB thresholds are subject to review by APM
VALUE FOR MONEY	Value for Money is a core principle Award criteria are "EMAT" and "lowest price"	Related Annex I is very general and provides no methodology to implement VfM
COMPLAINTS & OVERSIGHT	Contract-related complaints are admissible Mandatory thresholds for Prior Review based on procurement risk level	Related Annex II displays some rather vague language ("as appropriate")



WORKING GROUP "WB PROCUREMENT" CONTRACT CONDITIONS



Annex IX: Contract Conditions in International Competitive Procurement

- 2.1: *"The contract conditions shall provide an **appropriate allocation of responsibilities, risks and liabilities** informed by an analysis of which party is better placed to manage the risks, cognizant of the costs and incentives of risk allocation."*
- 2.2: *"For **international competitive procurement** for goods, works, non-consulting services and consulting services, the Borrower shall use the applicable **Bank's Standard Bidding/Request for Proposals Document with minimum changes**, acceptable to the Bank, as necessary to address project-specific conditions"*
- 2.3: *"For goods, works and non-consulting services, in cases where the Bank has **not issued** the applicable Standard Bidding/Request for Proposals Document, the Borrower shall use other **internationally recognized standard conditions of contract and contract forms** acceptable to the Bank."*
- 2.19: *"**All international competitive procurement contracts** are required to include **appropriate mechanisms for independent dispute resolution** such as Dispute Review Experts or Dispute Review Boards. **International commercial arbitration in a neutral venue shall be required unless** the national regulations and arbitration procedures are acceptable to the Bank in terms of **equivalence to international commercial arbitration** and the venue is neutral, or the contract has been awarded to a bidder/consultant from the Borrower's country."*

WORKING GROUP "WB PROCUREMENT" ICB THRESHOLDS

- EIC [Annex III of Bank Procedure](#) lists current **thresholds** for ICB processes by country
- EIC ICB thresholds are determined on the basis of (i) the **size, depth, and conditions of specific markets**, and the **capacity of the local industry**; (ii) the **assessed level of interest of foreign providers** to participate in domestic markets; (iii) the **nature, complexity, and level of risk of procurement activity**

Country (like)	Open international / US\$	Open national / US\$
Cambodia, Djibouti, Lao	2 mil.	2 mil.
Honduras, Liberia, Nepal	5 mil.	5 mil.
Burundi, Ethiopia, Malawi	7 mil.	7 mil.
Bangladesh, Benin, DRC	10 mil.	10 mil.
Ghana, Kenya, Tanzania	15 mil.	15 mil.
South Africa, Vietnam	20 mil.	20 mil.
Argentina, Brazil, Mexico	25 mil.	25 mil.
China & India	40 mil.	40 mil.





WORKING GROUP "WB PROCUREMENT" DRAFT PROCUREMENT REGULATIONS AIIB



- EIC China-led **Asian Infrastructure Investment Bank (AIIB)** expected to begin operations by the end of 2015.
- EIC Will AIIB Procurement be in line with World Bank Procurement? - **Probably not.**
 - **Integrity & Fairness** are not a Core Procurement Principles
 - **"Country Procurement Systems"** instead of **"Agency Procurement Arrangements"**
 - **Sanctions policy** in relation to Fraud & Corruption not yet elaborated
 - **Bank has no obligation** to facilitate a resolution under **contract-related complaints**
 - No reference to **Sustainable Procurement option**
 - No indication of **legal consequences of an ALT**, but reference to tender documents
 - Lack of clear preference for ICB in case of **"complex, high-risk or high-value contracts"**
 - **Ambiguity** with respect to the **MEAT** "most economically advantageous offer"
 - No commitment to **international arbitration in a neutral venue**





ISO 37001 ON ANTI-BRIBERY STANDARD PROJECT COMMITTEE MEETING IN KL

Report by *Per Nielsen*

Chairman Joint FIEC/EIC Working Group "Ethics"

- EIC 4th Meeting of the ISO Project Committee (ISO-PC) from 28/9 – 2/10 2015 in Kuala Lumpur
- EIC FIEC and EIC were represented by *Per Nielsen*
- EIC Future "roadmap":
 - Finalisation of Draft International Standard (DIS) by 30 October 2015
 - DIS ballot to be issued by ISO Central Secretariat by 07 January 2016
 - Next ISO-PC Meeting: Resolution of comments on DIS
- EIC Agreement on new ISO 37001 standard ???



ISO 37001 ON ANTI-BRIBERY STANDARD PROJECT COMMITTEE MEETING IN KL

Report by *Per Nielsen*

Chairman Joint FIEC/EIC Working Group "Ethics"



Countries and organizations participating in PC 278:

- Argentina – Armenia – Austria – Australia – Canada – China – Colombia – Cote d'Ivoire – Czech Republic – Denmark – Egypt – Finland – France- Germany – HongKong, China – Hungary – India – Israel – Japan – Malaysia – Mauritius – Mexico – Nigeria – Norway – Serbia – Spain – Sweden – Switzerland – Tunisia – United Kingdom – USA – Zambia
- TI – OECD – FIEC/EIC





PROPOSED NEW EIC WORKING GROUP "CSR"



- Should EIC set up a new Working Group „CSR / Responsible Business Conduct“?

- **Proposed Terms of Reference:**
 - Publish **benchmark** or **best practice examples** from the EIC membership to show that European international contractors are the leaders in their sector

 - Define an **EIC CSR policy statement** which Member Federations could refer on the national level

 - Respond to the future **EU Guidelines and Regulations**





CONTACTS WITH THE EUROPEAN COMMISSION

- Meeting between EIC President and EU Development Commissioner on 7 September 2015 on EIC proposal for “Blending 2.0”
- DG DEVCO Director for Sustainable Growth also participated
- EU Commissioner confirmed that **partnering with the private sector** has become an **integral part of EU development cooperation**
- **€8 billion EU grants** shall generate **€40 billion** from public finance institutions which should mobilise over **€100 billion** in total investment by 2020
- Positive result of the Meeting: EIC has been invited to present its proposal in the next Meeting of the **EU Platform for Blending in External Cooperation (EUBEC)** on **16 October 2016**
- EIC shall be supported by two “friendly” ECAs (*Credendo* and *EKF*) and the **European Banking Federation** to validate our proposal
- Commissioner announced launch of a **new EU Africa Investment Facility** before end 2016





CONTACTS WITH THE EUROPEAN COMMISSION

SUSTAINABLE DEVELOPMENT GOALS



48. We recognize that both public and private investment have key roles to play in infrastructure financing, including through development banks, development finance institutions and tools and mechanisms such as public-private partnerships, blended finance, which combines concessional public finance with non-concessional private finance and expertise from the public and private sector, special-purpose vehicles, non-recourse project financing, risk mitigation instruments and pooled funding structures. Blended finance instruments including public-private partnerships serve to lower investment-specific risks and incentivize additional private sector finance across key development sectors led by regional, national and subnational government policies and priorities for sustainable development. For harnessing the potential of blended finance instruments for sustainable development, careful consideration should be given to the appropriate structure and use of blended finance instruments. Projects involving blended finance, including public-private partnerships, should share risks and reward fairly, include clear accountability mechanisms and meet social and environmental standards. We will



EIC WORKSHOP AT SPRING 2016 CONFERENCE



Date 21-22 April 2016

Venue Berlin, InterContinental Hotel

Social Programme

Guided walking tour around rooftop terrace and glass dome of German Bundestag and subsequent Reception & Dinner at Rooftop Restaurant "Kaefer's"

Accompanying Persons' Programme

Guided tour of Royal Porcelain Factory, boat tour on Spree river and visit of Berlin TV tower

Post-Conference Programme

Guided tour to reconstructed Berlin Palace (Humboldt Forum) and dinner at "Humboldt Terrassen"



EUROPEAN
INTERNATIONAL
CONTRACTORS



THANK YOU

Frank Kehlenbach

