



# Promotion of the Civil Society Dialogue Between EU and Turkey

## Benefits of engineering consultancy to the economy

Ankara, 12 June 2009

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## EFCA's representational work

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The new industrial organisation

The new management of construction

The future





# 1. INTRODUCTION TO EFCA

- 29 professional associations from 28 countries
- the industry employs about 1 million staff
- generates more than 100 billion euro annual turnover





# WHAT EFCA STANDS FOR

## Mission

EFCA is **the sole and representative federation** promoting the European engineering consulting industry to the European institutions

## Goals

- ✓ EFCA aspires to positively **influence EU legislation** that impacts on engineering consultancy
- ✓ EFCA promotes **fair competition** and transparent procurement rules
- ✓ EFCA is a **business platform/network** for member associations and European firms

## Strategy

- ✓ support the EU institutions as an **expert knowledge broker**
- ✓ assist member associations in **achieving common European goals**
- ✓ **communicate** the views of engineering consultants *externally* to the European institutions & lending agencies and *internally* to the national member associations
- ✓ establish **alliances/partnerships** with other interest groupings



# PILLARS OF EFCA'S WORK

Committee

Public European Market

Working Group  
Qualifications

Working Group  
Standardisation

Working Group  
Public Private  
Partnership

Working Group  
Directive 92/57

Committee

European External Aid

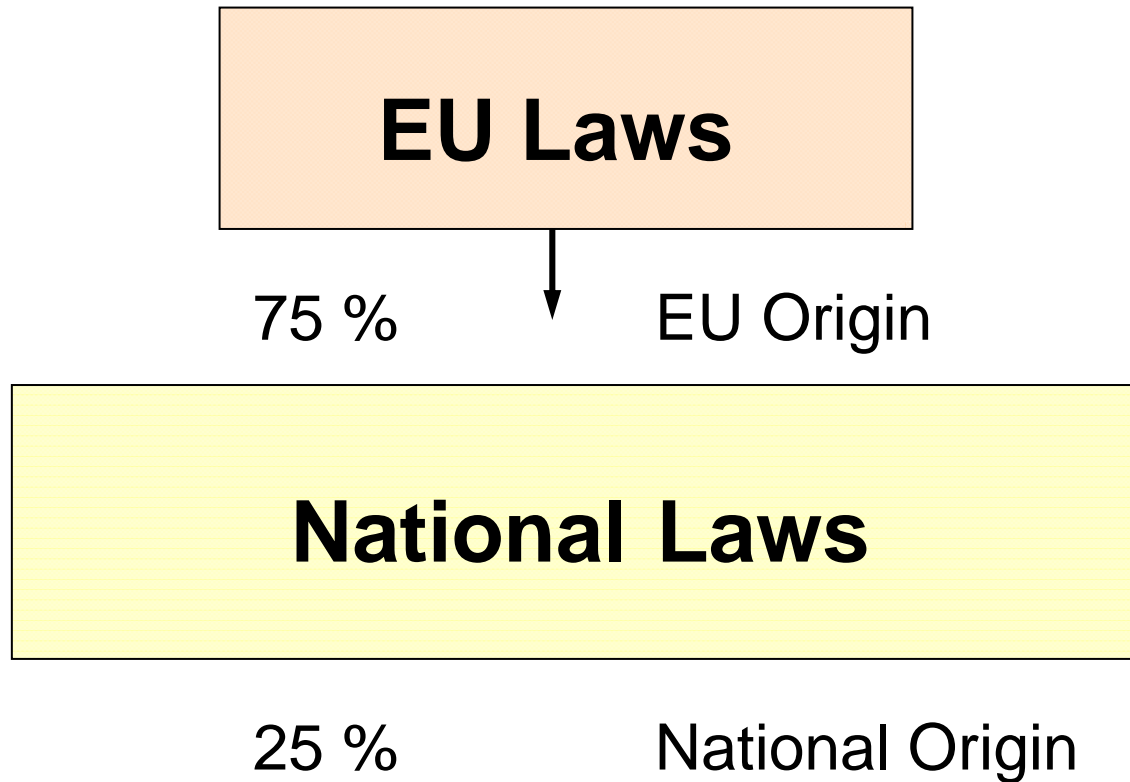
Committee

Liability  
and Insurance

Working Group  
Communication



## Impact EU law – national law





## ENGINEERING CONSULTANCY IN EUROPE

The work of engineering consultants allows European citizens to:

- drink clean water,
- enjoy a healthy life,
- take advantage of new technologies,
- and travel safely and efficiently.

They build worthwhile structures that last, provide added value for the future and support a sustainable and growing economy.



# ENGINEERING CONSULTANCY IN EUROPE

## Services relate to (1)

- buildings: construction, renovation, maintenance, energy efficiency, etc.
- infrastructure networks: ports, airports, roads, tunnels, railways etc.
- public utilities: water, energy, telecommunication, etc.
- environmental protection: drinking water, pollution control, waste treatment etc.
- industrial plants: storage, processes, R&D, etc.



# ENGINEERING CONSULTANCY IN EUROPE

## Services relate to (2)

- agriculture: irrigation, dams, canals, soil protection, etc.
- natural resources: mining, oil & gas winning, renewable energy etc.
- management & resources: responsible investment, risk management & innovation etc.



# ENGINEERING CONSULTANCY IN EUROPE

Public and private **investment** in transport, housing (including administrative buildings and industrial buildings), water and environmental services, energy supply and related infrastructure, telecommunications, industrial plants, etc. **require engineering consultancy services.**



# ENGINEERING CONSULTANCY IN EUROPE

## Some figures

- The total volume of construction in the EU is around 1,300 billion euro (2007-FIEC). The volume of gross fixed capital formation (GFCF) is 2,632 billion euro (2007-EUROSTAT). Only part of the GFCF requires engineering consultancy.
- The total volume of investment in the EU involving engineering consultancy is 1,763 billion euro; **engineering consultancy requirements** associated with these total investments could be **worth 146 billion euro** (EFCA estimation).



# ENGINEERING CONSULTANCY IN EUROPE

## Some national figures

- **Denmark:** gross revenue engineering consultancy firms (domestic market, 2007): 9.4 billion DKK (1.26 billion euro).
- **UK (2007):** the consultancy and engineering sector adds over £10 billion (11.62 billion euro) to UK output.
- **France:** 215,000 jobs, 36 billion euro turnover (2006)
- **Sweden:** 43,000 employees, 40 billion SEK (3.71 billion euro) turnover (2007)
- **Finland:** 1,200 million euro turnover (2007)



# Simulation of the engineering consultancy market for the next five years in France

Medium yearly increase rate of engineering consultancy activities (volume)			
1999-2007		2007-2013	Former Forecast 2006-2012
5.4%	Low scenario	1.8%	3.2%
	Medium scenario	3.2%	4.5%
	High scenario	4.2%	5.7%

**Generally, engineering consultancy should continue to have an increase rate higher than the overall national economy and generate employment growth**



## The impact of engineering consultancy industry on the economic growth performance

### Three periods over the next 15 years

- **2007 –2009: crisis**  
relapse of growth rates in major countries (half of the economy) to one third in (and possibly to zero)
- **2010 –2011: start of growth**  
stimulated by the buying power of 800 million middle class people in 2015
- **After 2015:** prevalence of energy, raw materials, pollution ... problems



## The impact of investments

- Economic growth, consumption, investment, employment: **additional 1 point increase of annual GNP creates 300.000 extra employment**
- Additional 1 point GNP increase **requires investments: industrial and transport infrastructure, energy research etc. in parallel with structural changes**



## The new industrial organisation

- A «**creative organisation**» based on permanent capacity for well-timed adaptations to the market, and using best resources all over the world.
- A **production process, increasingly based on knowledge-services companies**, able to manage partners in all parts of the world.



## The new management of construction

- The owner defines **functional requirements** (health, transport, ...) and less technical specifications of the works.
- He looks for a major partner able **to manage the works and to offer guarantees** on a life cycle base
- **Result: new construction process, new contract types, similar to the «creative organisations» in the industry**



# ENGINEERING CONSULTANCY IN EUROPE

## The Future (1)

- **The crisis does not stop long-term financing.** Specific instruments have already been implemented in some countries (PPP, ...) and private resources exist ....
- **Economic growth** is no more predominant in Europe but **is shifting toward other regions.** Investment in industrial and civil infrastructure in Europe must be geared to the requirements of emerging economies with high growth rate and take account of the increasing ecological impact.



# ENGINEERING CONSULTANCY IN EUROPE

## The Future (2)

**Engineering consultancy firms will play a major role** in the development of Europe in so far as they:

- **Expand to international markets**, the works they design and supervise in Europe,
- **Incorporate the use of best international resources** in their managing capacity,
- **Integrate innovation** in their methods, design and the construction of works,
- **Accept more responsibilities.**





Thank you for your attention