

ANCE

Infrastructure Forum

Brussels, 6 December 2019



ANCE (Associazione Nazionale Costruttori Edili)

ANCE has been representing the Italian construction industry for more than 70 years and is the main association representing the sector in Italy ANCE members comprise about **20,000 private companies**, which operate in all types of construction projects: public works, residential, commercial and industrial construction, environmental protection, building development and specialist works.

Ance represents **companies of all sizes: large, medium and small** The Association covers the entire national territory thanks to a **network of local Associations**, divided into 96 Territorial Associations (mainly provincial level) and 20 Regional Bodies.

The association is registered in the Transparency Register of the European Parliament and the European Commission

ANCE is a member of **FIEC** (European Construction Industry Federation) and **EIC** (European International Contractors)

CORRECT APPLICATION BY THE MEMBER STATES OF COMMUNITY LEGISLATION AND PRINCIPLES (1)

The Italian Public Contracts Code is probably the one with the most infringements in Europe

- 2 infringement procedures currently open (non-compliance with the Public procurement directives and non-compliance with the Late Payment Directive)
- 2 judgments by the Court of Justice because of the limits to subcontracting

Risk of loss of EU resources for contracts financed by structural funds but with wrong subcontracting rules! Thanks to the Commission for listening to the companies!



CORRECT APPLICATION BY THE MEMBER STATES OF COMMUNITY LEGISLATION AND PRINCIPLES (2)

Split Payment : Repeal the split payment for public works or make the VAT neutral by providing, for companies subject "upstream" to the split payment, the application of the "downstream" reverse charge also on supplies

Guidance by the Commission is very usefull: e.g. Guidance for practitioners on the avoidance of the most common errors in public procurement of projects funded by the European Structural and Investment Funds

PROMOTE DIGITIZATION

DIGITIZATION MUST BE USED TO DEVELOP MORE SUSTAINABLE BUSINESS MODELS, IMPROVE THE QUALITY OF PROCESSES, MATERIALS AND PRODUCTS MORE DIGITIZATION MEANS MORE COMPETITIVENESS AND ALSO MEANS

- MORE SUSTAINABILITY
- A new Industrial Revolution is underway through automating and digitizing production processes
- However, most of the legislation governing construction activities still provides for many obligations that require the compilation of documents, their preservation and sending, in paper form
- It is necessary to give legal validity to digital documents
- Support should be provided for the digitization of the activities of construction companies, with a particular focus on SMEs

NO TO UNFAIR COMPETITION FROM COMPANIES FROM THIRD COUNTRIES

IPI – Proposal for an International Procurement Instrument)

 As proposed by the European Commission, it seems unsuitable to achieve the main objective, which is reciprocity in access to public procurement markets by establishing a level playing field in the internal market with companies coming from third countries which are neither party to the GPA nor to a bilateral agreement with the EU on public procurement

The application of State aid rules to third country firms is a priority

• At present, under the provisions of the EU Treaty, state aid rules only apply to aid granted by Member States. All companies receiving aid from third countries are therefore excluded

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PAY ATTENTION TO WHAT IS FINANCED BY THE STRUCTURAL FUNDS

Attention also needs to be paid to what is financed with EU funds

Procurement is the first part of an efficient process, the second part is what is financed with European funds.

Of course, public works must be carried out, but we also need to support companies, in particular SMEs:

1. digitization (currently in Italy 0 euro allocated to this purpose)

2. internationalization (idem)

The Commission should give its input on these issues



THANK YOU FOR YOUR **ATTENTION!**



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