April 2025
ECO Commission

Public Procurement

Brief description and main aims:

The current legislative framework on public procurement consists of three EU directives adopted in 2014 (2014/23/EU on concessions, 2014/24/EU on "classic" procurement and 2014/25/EU on "utilities" procurement). These rules are aimed at ensuring that public procurement procedures are transparent and fair.

Nevertheless, in its Special Report 28/2023, the European Court of Auditors found that competition in EU public procurement declined between 2011 and 2021, and that the 2014 reform objectives—notably simplifying and shortening procedures—have not been fully achieved. It recommends clearer priorities, better data collection and monitoring, and an action plan to address barriers to competition.

In response, the European Commission launched a public consultation and Call for Evidence in December 2024 to evaluate the 2014 procurement directives, with a view to a possible revision in 2026.

Why FIEC is dealing with this topic:

FIEC is involved in the topic of public procurement because it represents a major source of activity for the construction sector in Europe. A significant share of construction work—particularly in infrastructure, housing, and public projects—is financed by public funds. It is therefore essential that companies in the sector have fair and competitive access to public procurement opportunities.

The current EU framework poses several challenges: excessive complexity, increasing use of direct awards or in-house procurement, unequal access across Member States, and downward pressure on prices at the expense of quality. These issues directly affect the ability of companies, to participate effectively in public tenders.
As the federation representing the interests of construction companies at European level, FIEC's role is to ensure that the rules are adapted to the specificities of the sector, promote fair competition, support innovation, and allow for the effective integration of environmental and social objectives while remaining realistic and proportionate.

Actions and key dates:

12/2023 – The European Court of Auditors publish its Special Report 28/2023

05/12/2024 – Publication of FIEC's **Position Paper** on the current EU public procurement framework.

07/03/2025 – FIEC submits its **official contribution** to the European Commission's evaluation of the 2014 Public Procurement Directives (2014/24/EU and 2014/25/EU).

18/03/2025 – The European Parliament's IMCO Committee publishes its **Draft Report** on public procurement (Rapporteur: Piotr Müller).

08/04/2025 – FIEC sends its **comments and proposed amendments** to the draft report

EUROPEAN CONSTRUCTION INDUSTRY FEDERATION

Level playing field with State-Owned Enterprises from third countries

Brief description and main aims:

In December 2022, the European Commission's proposal for a "*Regulation on Distortive Foreign Subsidies in the EU Single Market*" aimed at tackling the distortive effects of foreign subsidies in the EU Single Market was adopted. This was the first EU instrument to control subsidies granted by third countries. The regulation entered into force on 12 July 2023.

Under the Regulation, the Commission has the power to investigate financial contributions granted by public authorities of a non-EU country which benefit companies engaging in an economic activity in the EU and redress their distortive effects, as relevant. The instrument has two notification-based tools, including one to investigate bids in public procurements involving a financial contribution by a non-EU government, and a general market investigation tool.

Before that, in June 2022, the "EU international procurement instrument**"** was adopted. The instrument was aimed at securing reciprocal access to third-country markets for EU countries.

Why FIEC is dealing with this topic:

Over the past decade, an increasing number of EU public infrastructure contracts have been awarded to **third-country State-Owned Enterprises**, particularly from China, whose **very low bids distort competition** and disadvantage European companies. While the EU has largely opened its procurement markets, **reciprocity remains limited**, and recent geopolitical tensions have reinforced the need to **preserve industrial know-how and strategic autonomy**.

FIEC addresses these concerns in cooperation with **EIC** and **EuDA (European Dredging Association)**, and recently co-signed a join letter to Commissioner Séjourné, calling for certain construction activities to be recognised as **strategic**. In parallel, the **European Commission has launched a Call for Evidence** to develop the **Foreign Subsidies Regulation (FSR) Guidelines**, a process FIEC is closely following to ensure the construction sector is adequately protected.

Actions and key dates:

25/05/2021 - Launch of FIEC's SOEs interactive map *Third country State-Owned Enterprises in the European procurement market.*

30/06/2022 – The EU *International Procurement Instrument* (IPI) was adopted.

23/12/2022 – The *Foreign Subsidies Regulation* (FSR) was adopted by the European Parliament and the Council. It entered into force on 12 July 2023.

10/07/2023 – The European Commission adopts rules laying down more detailed practical and procedural aspects related to applying the FSR.

14/07/2023 – FIEC, EIC and EuDA call for a market investigation in the construction sector (including dredging) by the European Commission under the FSR (Article 36).

15/02/2024 – FIEC, EIC and EuDA finalise a joint letter highlighting their priorities for the next legislature, including a Trade Defence Instrument (TDI) for construction services.

23/01/2025 – FIEC, EIC and EuDA send a joint letter to Commissioner Séjourné, calling for certain construction activities to be recognised as strategic

19/03/2025 – FIEC, together with EIC and our Croatian member federation HUP, host a Conference on "Third country bids in Public Procurement:" in Zagreb.

02/04/2025 – FIEC contributes to the EC's Call for Evidence on the FSR Guidelines.

14/04/2025 – Following their joint letter FIEC, EIC, UNIFE and EuDA meet EC concerning the European Preference in Public Procurement

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ECO Commission – WG Infrastructure & Financing

EUROPEAN CONSTRUCTION INDUSTRY FEDERATION

Modernisation & Maintenance of Infrastructure

Brief description and main aims:

The European Union faces three major strategic challenges regarding infrastructure. First, it must **complete, modernise, and maintain its transport network** to ensure smooth and coherent connectivity across regions, with a particular focus on the Trans-European Transport Network (TEN-T). Second, in a context of heightened geopolitical tensions, infrastructure must be adapted for dual civilian and military use to **strengthen military mobility**. Finally, the green transition requires **making infrastructure sustainable** by redirecting investments toward low-carbon transport modes, improving energy efficiency, and aligning with the climate goals of the European Green Deal.

Why FIEC is dealing with this topic:

As essential connecting points in Europe's transport network, the malfunction of bridges attracts particular attention. For this reason, FIEC has decided to set up a new working group, called ECO WG "Structural Maintenance", that will mainly focus on problems related to the lack of maintenance of bridges and promote initiatives to tackle this issue. The WG will extend its scope to the maintenance of infrastructure in general, not just for bridges. Thanks to FIEC's intense lobbying over the past years, the revised TEN-T rules strengthen the approach with the regards to the quality of the infrastructure and its maintenance, including the structural stability of critical assets such as bridges and tunnels.

New challenges have now been added to maintenance and sustainability for this WG - defence. The recent **White Paper on European Defence – Readiness 2030** has identity military mobility as a critical gap requiring urgent investment.

The **Connecting Europe Facility (CEF)** is the main EU funding instrument for delivering the goals of the TEN-T Regulation. This WG is actively engaging with the ongoing **public consultation on the CEF evaluation**. We aim to highlight the need for stronger support for structural maintenance, the adaptation of infrastructure for military use — including the creation of corridors to facilitate military transport from the Western to the Eastern front — and the reinforcement of the CEF's role in funding sustainable, low-carbon projects.

Actions and key dates:

14/12/2021 – The European Commission publishes its proposal for the revision of the (TEN-T) Trans-European Transport Network Regulation (FIEC Position Paper).

20/04/2022 – FIEC sets up a new Working Group on "Structural Maintenance".

18/10/2023 – Kick-off meeting of the Working Group of the European Commission's DG MOVE of the European Commission working group on decarbonising transport infrastructure. FIEC is represented by its President, Philip Crampton.

05/03/2024 – FIEC participates in the Intergroup event "*Infrastructure Maintenance and the Decarbonisation challenge*" held at the European Parliament.

24/04/2024 – The revised TEN-T guidelines are approved.

11/04/2025 – Eurobridge 2025 (fourth Eurobridge conference).