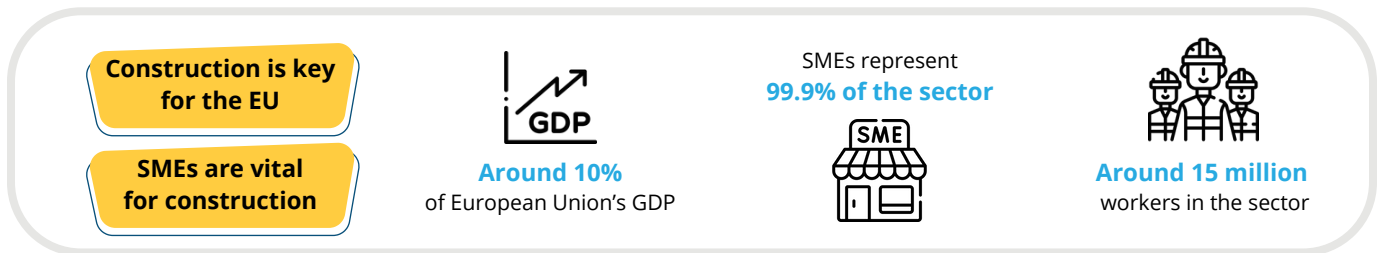


## The path forward for empowered construction SMEs and a sustainable built environment

Over the 2019-2024 European mandate, policymakers vigorously articulated, negotiated, and adopted legislations to place **the European Union on the forefront of combatting climate change** and delivering on the Paris Agreement goals. In the spirit of the European Green Deal, all sectors of the economy must contribute to delivering a climate neutral continent by 2050.

Comprised by more than 99.9% of SMEs, the construction sector is no exception, representing around 10% of the EU's GDP and a workforce of 15 million. The **Renovation Wave**, a strategy that ambitions to double renovation rates, **must now be set in accelerated motion on the ground**. Energy efficient buildings are more than just a "nice to have": they are indispensable.



The effects of climate change are incrementally being felt year after year. At the same time, the multiple crises facing Europe have revealed the pressing need to avoid energy dependencies. **What started as a long-term environmental plan became a strategic energy and sustainability necessity.** Both the EU and the construction sector have shown resilience navigating this landscape. Concurrently, energy renovations, integrating renewables, and life-cycle considerations have become cornerstones of the efforts for the decarbonisation of buildings and the built environment.

**The entire construction value chain is expected to further put in practice legislation with long-term impact.** These rules include but are not limited to energy efficiency and the energy performance of buildings, inclusion of renewables, construction products, a stricter asbestos framework, environmental and social reporting by companies, access to sustainable finance, or even nature restoration, while the sector has been structurally struggling to attract, retain, upskill, or reskill talent.

**To deliver climate-neutral buildings, construction SMEs require stability and investments** to plan and secure their activity. Renovating almost the entirety of Europe's building stock by 2050, including our built heritage and historic buildings, consists in a herculean task that requires prompt pragmatism and commitment from all - especially public authorities, SMEs, and citizens.

Our **construction SMEs and crafts stand ready and eager to continue their efforts** for a renovated and energy efficient built environment. They are significant providers of local jobs and boosters of local economies, with **the green and digital transition offering potential for sustained activity and opportunities to attract new talent.** Now is the time to back and join the construction sector to contribute to solutions to a great number of societal challenges in the EU and beyond!

### Our construction SMEs and crafts call for:

01

A stable regulatory framework to implement the Green Deal and Renovation Wave acquis

02

An inclusive labour market and a strengthened skilled workforce

03

A fair internal market with SMEs at the centre of policies for construction

A safer, resilient, and more sustainable construction through well-directed funds and financing

04

A more innovative and digital construction supported by SME-friendly standards

05

# Action points

## 01 To achieve a **stable regulatory framework to implement the Green Deal and Renovation Wave acquis**, we need to:

- **Set in motion the green and digital ambitions in the construction sector**, for a chance to deliver a climate-neutral building stock by 2050.
- **Ensure a proper implementation and enforcement** by Member States of a large set of European legislation, through a holistic and coordinated policy approach.
- **Rigorously monitor the implementation of regulation for a sustainable built environment**, while continuously promoting and supporting affordable energy efficiency and renewable energy in buildings.
- **Facilitate the adaptation of construction SMEs to the vast regulatory changes adopted and reinforce their capacity for resilience** with technical and financial support.

## 02 To achieve an **inclusive labour market and a strengthened skilled workforce**, we need to:

- **Trigger a reconsideration of vocational training and manual trades in the EU society** for a renewed image of construction as a leading force in the green transition.
- **Identify the skills needed for a more sustainable construction sector** at national and local level in all Member states.
- **Reform national and local construction training programmes and streamline vocational education and training** across Europe.
- **Financially support SMEs to invest in upskilling and reskilling** taking into account the natural strengths and limitations of small companies and crafts.
- **Enable a frequent dialogue between construction companies and training providers** leading to a better match between market needs and training offer and a showcase of good practices in dual training.
- **Foment and develop targeted initiatives and incentives for underrepresented groups** like young people and women to join the construction workforce, focusing on their participation in micro and small enterprises.
- **Improve the detection of manual and entrepreneurial talent and orientation towards construction**, through support and guidance provided by the EU.
- **Promote and implement specific policies and programmes for the inclusion of EU and third-country migrant talent in the construction sector**, through curricula schemes, language support and cultural integration initiatives.

## 03 To achieve a **fair internal market with SMEs at the centre of policies affecting construction**, we need to:

- **Revitalise social dialogue and make EBC a full partner** in the European sectoral social dialogue in construction.
- **Safeguard the existing European definition of micro, small and medium-sized enterprises (SMEs)** as enshrined in Directive 2013/34/EU.
- **Apply systematically the “think small first” principle** and the SME Test to all regulation.
- **Reduce administrative and reporting burdens as well as continuously tackle red tape** to lever barriers to business in construction.
- **Enforce zero-tolerance rules for late payment** in all commercial transactions and compel public authorities to lead by example regarding payment behaviour.
- **Incentivise SME participation in public procurement**, without unduly restrictive tendering procedures or social and environmental criteria.
- **Better train public contracting authorities** on avoiding unrealistic or discouraging selection and award criteria.
- **Help construction SMEs combat social legislation abuse, fraud, and social dumping**, by better coordinating social security systems, sanctioning bad practices and disruptive players, and reinforcing effective and frequent inspections.
- **Strengthen the role of the European Labour Authority** in dealing with mobility, labour, and inspection problems in the sector, in respect of the subsidiarity principle.

04

To achieve **a safer, resilient, and more sustainable construction through well-directed funds and financing**, we need to:

- **Ensure SMEs have access to conventional and sustainable finance, both public and private**, supporting their green and digital transition.
- **Accompany SMEs and property owners with financial incentives and subsidies** fostering and facilitating energy efficient renovations, both through small gestures and larger scale projects.
- **Set up long-term support and funding of pragmatic local initiatives** for the decarbonisation of buildings and infrastructure, like One-Stop-Shops for energy efficient renovation or circularity hubs.
- **Consider taxation, including VAT, as a tool** to relieve SMEs and promote building renovation at the national and local level.
- **Foster dialogue between SME representatives and financial institutions** paving the way to an SME-friendly EU Taxonomy and lighter reporting exercises.
- **Guarantee optimum protection for workers** through realistic occupational rules, adequate funding for health and safety and training adapted to SME worksites.
- **Ensure flexible and rapid financial resources directed to those who need them in the event of crises**, considering inflationist and speculative market trends as well as cost-effectiveness.
- **Involve SMEs and crafts in the design of regulatory frameworks for buildings resistant to seismic activity and natural disasters**, and in the implementation of financial incentives.
- **Invest in infrastructure guaranteeing water availability and measures to mitigate water scarcity in local areas**, protecting them from hydro-geological instability, soil deterioration and intensification of extreme weather-related events.

05

To achieve **a more innovative and digital construction supported by SME-friendly standards**, we need to:

- **Stabilise and enhance the comprehensibility of the EU technical regulatory framework**, by democratising and simplifying concepts and standards through the direct involvement of SME representatives.
- **Make sure that SMEs are present in European standardisation**, with access to all relevant technical arenas through appropriate funding and technical support.
- **Bear in mind that standardisation is a key factor in the EU's competitiveness** when standards take the needs of SMEs as the norm.
- **Bridge the gap between construction SMEs and a fast-paced innovation and research community**, by promoting equal access to technology, technology neutrality and fair data management.
- **Guarantee a gradual digital transition** ensuring the accessibility, interoperability, and coherence of digital tools that bring direct added value to SME worksites.
- **Foster a human-centric and collaborative approach** complementing construction know-how when developing robotics, automation, smart technology, or artificial intelligence.

This is the path forward for a high-performance, responsible, and sustainable construction sector, where construction SMEs and crafts are empowered to do what they do best: get down to work and live up to their social, environmental, and economic ambitions and responsibilities.



## About us

Established in 1990, the European Builders Confederation EBC is the umbrella organisation representing national associations of crafts and micro, small and medium-sized enterprises (SMEs) in the construction sector. With a secretariat in Brussels, EBC is part of the employers' delegation in the European sectoral social dialogue for construction. EBC is a member of SMEunited, the European association of SMEs, and founding partner of Small Business Standards SBS, the European association representing SMEs in standardisation.

At national level, EBC members cover crafts ranging from general contractors and bricklayers to specialized crafts such as carpenters, joiners, plumbers, HVAC, electricians or renewable energy installers to finishing crafts such as plasterers and tile-fix painters.

## Get in touch

### EUROPEAN BUILDERS CONFEDERATION EBC

Rue Jacques de Lalaing 4  
1040 Brussels, Belgium

### Subscribe to EBC newsletter



*Scan me!*

### Send us an email

 [secretariat@ebc-construction.eu](mailto:secretariat@ebc-construction.eu)

### Follow us on social media

 [/European Builders Confederation EBC](https://www.linkedin.com/company/european-builders-confederation-ebc/)

 [/European Builders Confederation EBC](https://www.facebook.com/europeanbuildersconfederationebc/)

 [@EBC\\_SMEs](https://twitter.com/EBC_SMEs)

### Visit our website

 [www.ebc-construction.eu](http://www.ebc-construction.eu)