

# New Rules for Public Procurement Opportunities for the Road Sector

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- 1. Brief introduction to the ERF**
- 2. The socio-economic importance of roads**
- 3. Roads and sustainable development**
- 4. From an unsatisfactory situation to a new framework**
- 5. Challenges, opportunities and ERF proposals**

# What is the ERF?

- **Non profit organisation, based in Brussels**
- **Funded in 1998**
- **Platform of dialogue and research**
- **Represents the sector of the road infrastructure**
  - ✓ In the EU, towards the EU institutions
  - ✓ Outside the EU
- **Highlights the socio-economic benefits of roads for the society**
- **« The Voice of the European Roads »**

## The ERF Members (59)

- **Major stakeholders in the road infrastructure sector (in and outside EU)**
  - ✓ **National Road Organisations**
  - ✓ **Road Users' Organisations**
  - ✓ **Professional Business Organisations**
  - ✓ **Industry and Private sector**
  - ✓ **Research and Test centres**
  - ✓ **Academics**

# **Activities and services to the Members**

- **Information on the European Road Policy developments**
- **Updated information on latest technical road infrastructure developments**
- **Dissemination (PR, Position Papers, Manifestos...)**
- **Participation to Research Projects**
- **Participation to dedicated Working Groups (Members)**
- **Networking with major stakeholders, EU and extra-EU authorities**
- **Dedicated support for organisation of specific local technical events**
- **Participation to International Seminars and Congresses**

# The socio-economic importance of roads

- **European Road Network: +/- 5 million km**
- **One of the major community assets**
- **Estimated reconstruction value: 8 trillion €\***
- **Roads provide access to trade & services, employment and economic development**
- **Roads are a key element of the global transport framework**

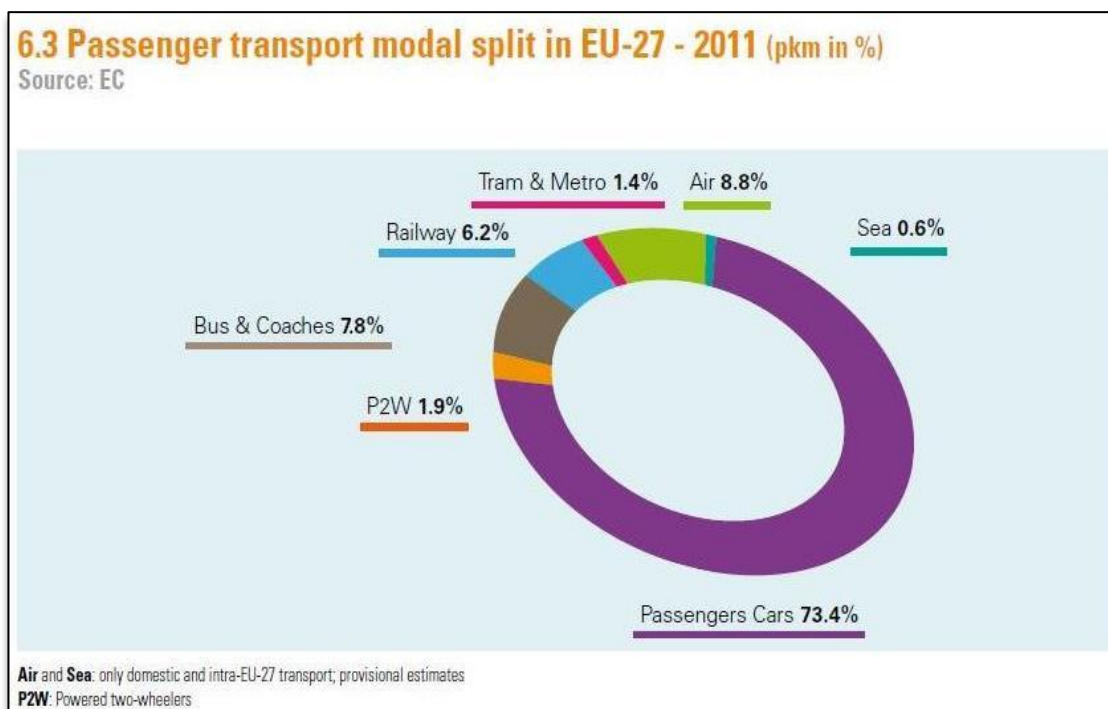
\* ERF estimation (RAM Manifesto)

## Contribution of the road sector to the EU economy

- **Direct employment: 5 million people**
- **+/- 5 % of the EU GDP**
- **With related employment: 14 million people**
- **+/- 11 % of the EU GDP**

# Roads are the backbone of the economy

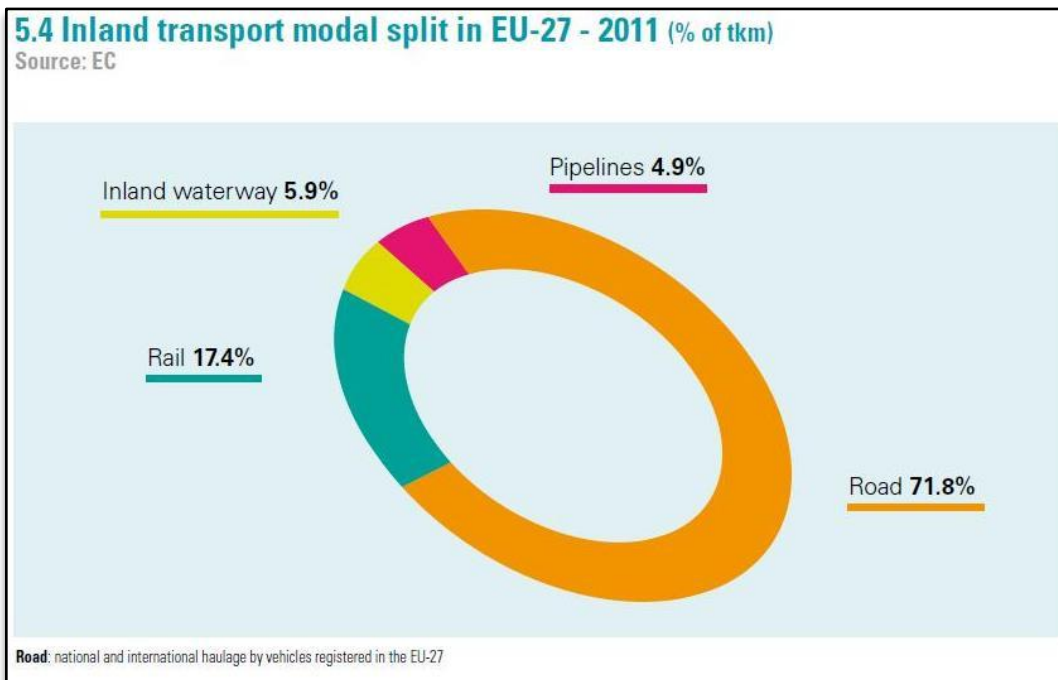
83,1 % of the EU inland passenger transport



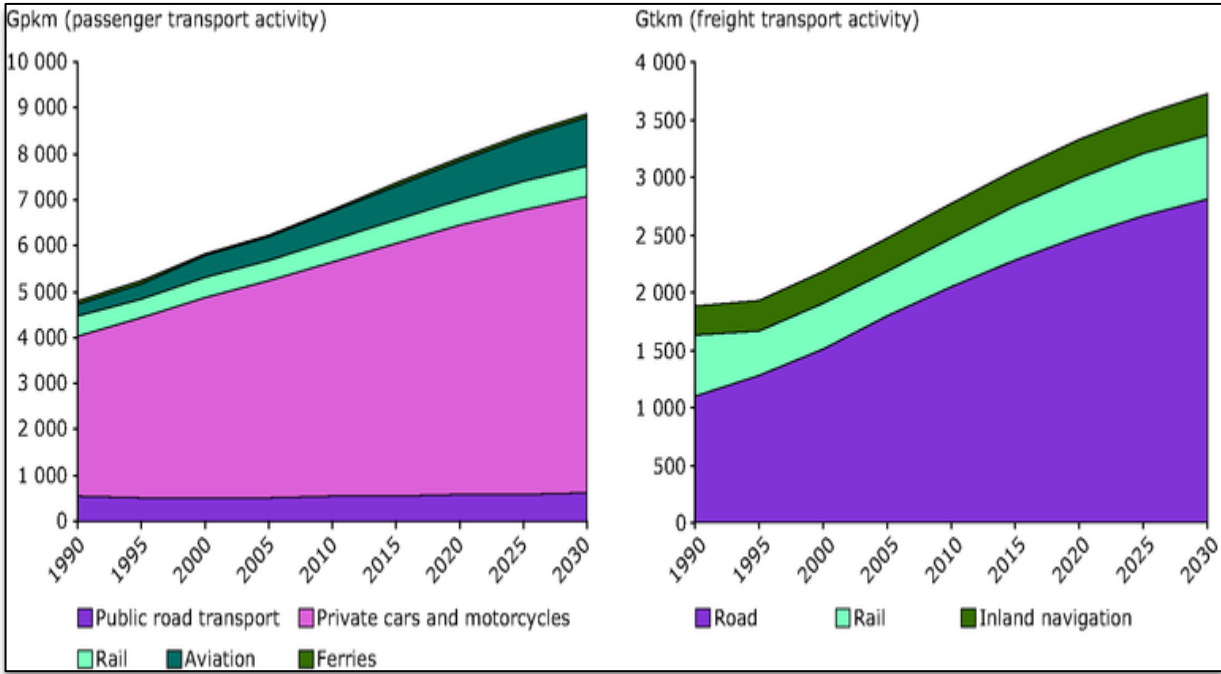


# Roads are the backbone of the economy

**71,8 % of the EU inland freight transport**



# Evolution Forecast



Source: EEA

# Roads and sustainable development

- **Reconcile road transport growth with societal aspirations for**
    - ✓ cleaner
    - ✓ quieter
    - ✓ smoother
    - ✓ more sustainable
- road transport & mobility**

# Roads and sustainable development

- **Commitment of the road infrastructure sector:**
  - ✓ **R & D**
  - ✓ **New systems, products and solutions**
  - ✓ **Innovative techniques**
  - ✓ **More sustainable and more durable solutions**
  - ✓ **Value for money**

# The previous legislative framework (Directive 2004/17/EC)

- **Main barrier to the uptake of the proposed solutions:**
  - ✓ **Most public tenders**
    - **'Cheapest price' principle**
    - **No long-term vision**
    - **No holistic assessment (e.g. lack of multi-annual contracting practices)**
    - **No consideration of performances, impact, durability and innovation**
  
- **Disincentive to R & D for innovation on the industry side**

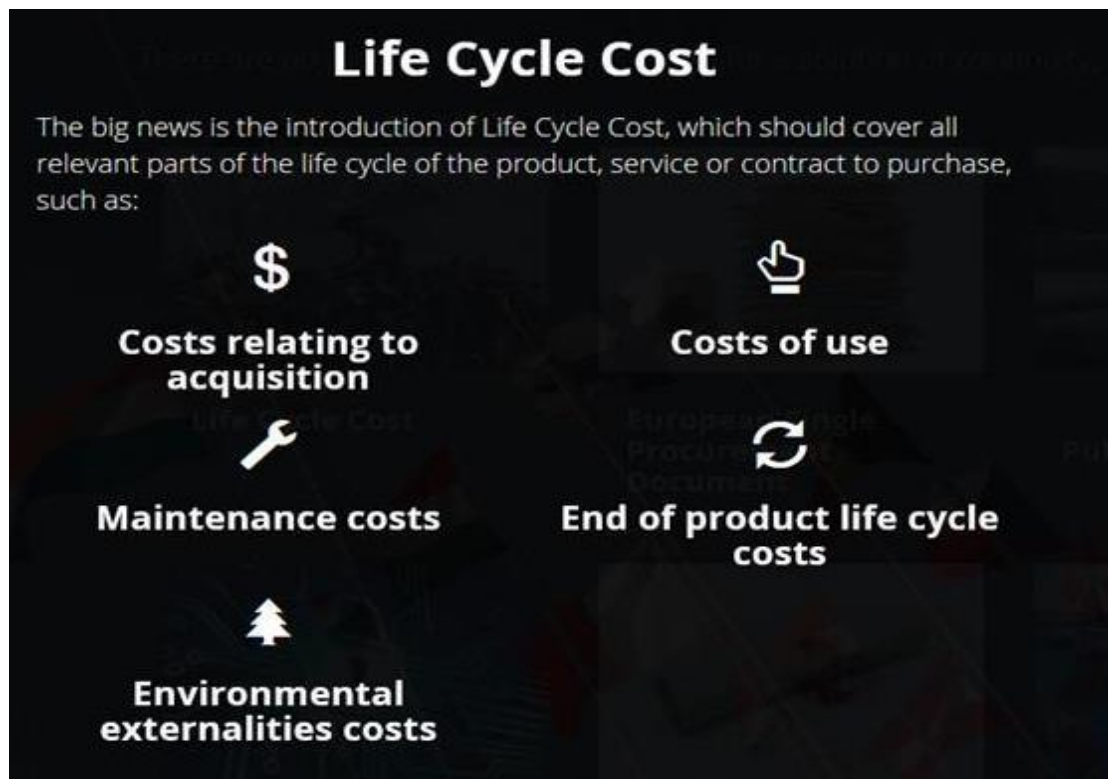
# **New rules for Public Procurement** **(Directive 2014/25/EC)**

- **Need for more modern legal framework**
- **New sets of rules for greener, more innovative and more social procurement**
- **Encouragement to the innovation**
- **Benefit for the whole society**
  - ✓ **Optimising resources**
  - ✓ **Delivering better and more durable roads**

## Example: Life-Cycle costing

- **Objective: ensure best value for money invested (art. 82)**
- **Evaluation of the performance through the whole life cycle**
- **Incorporate criteria such as maintenance costs, carbon footprint...**
- **Away from the lowest price model**

# Life-Cycle Costs





# Life-Cycle Assessment (ISO 14040)

- **Methodology for evaluating effects of a product on the environment over its entire life**
- **Key elements:**
  - ✓ **Identify and quantify loads involved (energy, raw materials, emissions and wastes)**
  - ✓ **Evaluate potential environmental impact of these loads**
  - ✓ **Assess options available for reducing these impacts**

## **ERF position: new rules as a game changer**

- **Welcomes the new proposal**
- **Bridge the gap between policy and implementation of more sustainable roads**
- **For the benefits of all parts:**
  - ✓ **Public authorities**
  - ✓ **Industry**
  - ✓ **Road users and citizens**
- **Challenge: to translate this into reality**

## ERF position: new rules as a game changer

- **Complexity of the task**
- **More harmonised approach required**
- **Necessity of a common understanding for a correct implementation for all roads' elements (base, surface, equipments, markings, signs...)**
- **Time frame: transposition of the Directive by end April 2016!**
- **Necessity of a dialogue between road authorities and industry**
- **New rules must be understood and applied at all levels**
- **ERF can act as an interface between public and private stakeholders**



**Thank you for your attention**

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