



COMMITTEE FOR EUROPEAN
CONSTRUCTION EQUIPMENT

THE ROAD TO 2029

A CECE MANIFESTO FOR THE NEW EU LEGISLATIVE TERM



SETTING THE SCENE

The European construction equipment industry forms an integral part of the European engineering sector, comprising 1,200 companies ranging from highly specialised SMEs to large European and multinational companies with production sites in Europe.

The European construction machinery sector is at the centre of the global marketplace, with its members manufacturing 20% of the global output of construction equipment. It is also fundamental to consider the sector as part of the larger construction and infrastructure industry, which represents over 10% of EU GDP and 15 million workers. In this framework, CECE supports all actions of the Construction 2050 Alliance, as one of its founding members.

Through its ability to deliver a more sustainable built environment, the sector also holds significant potential in turning the Green Deal into a growth strategy, as our industry is an enabler of the green transition. Manufacturers have invested heavily, on their own initiative, in adopting clean technology and reducing emissions in recent decades. Net-zero emission technologies are paving the way to decarbonised construction activities in Europe and creating competitive

advantages in the global marketplace. Technology neutral EU policies and enabling factors are fundamental to make sure that construction machinery can help deliver the Green Deal.

Fierce competition from other global players, supported by strong national industrial policy strategies and booming infrastructure projects, has brought challenges alongside global integration. An eroding multilateral rules-based trading system, together with geopolitical tensions, bring additional challenges and a need for support to European manufacturing, which must be enabled to compete globally.

The next European legislature towards 2030 must be less centred on new rule-making and more on concrete enabling measures to enhance the final goal of reindustrialising Europe for a future-fit and sustainable economy.

A CALL FOR REINDUSTRIALISATION

We call for the sustainable reindustrialisation of Europe as the key priority of the next EU legislative mandate.

All industrial ecosystems must be able to realise the full potential of the EU Green Deal in a stable regulatory environment and with the proper market surveillance actions.

THE POLICIES TO SUPPORT EUROPE'S REINDUSTRIALISATION

1 | SINGLE MARKET

The Single Market is one of the European Union's greatest achievements and the construction machinery industry is perfectly integrated within it. While the free movement of people, goods, services, and capital are integral to the construction machinery sector's resilience, ensuring a stable legal framework and business-friendly policies is a prerequisite for continued investment and innovation in Europe. As the COVID-19 crisis and the war in Ukraine have demonstrated, the Single Market requires continued dedication in making sure it is completed, enforced, protected and strengthened.

Specifically, proactive and effective market surveillance is crucial to global competitiveness of EU-made machinery. However, the current influx of non-compliant construction machinery into the Single Market presents not only a loss of competitiveness for European industry and jobs, but also a threat to workers' safety across the continent.

For these reasons, we call on the 2024-2029 European legislature to:

- **Reduce the regulatory** and administrative burden placed on European companies.
- Duly apply the **market surveillance framework**: compliance of products is not sufficiently addressed by current market surveillance practices.
- Ensure swift implementation of the new framework for EU harmonized road circulation requirements for non-road mobile machinery.
- Facilitate **compliance with the Machinery Regulation** through a comprehensive and timely guide to application for manufacturers.
- Ensure **supply chain resilience through further Single Market integration** in goods and services and preventing market fragmentation.
- Address the labour and skills shortage in EU industry by strengthening commitment to the removal of barriers to free movement.
- Uphold the role of **harmonised standards in the New Legislative Framework** by ensuring their swift publication and timely citation in the Official Journal of the EU.
- **Refrain from creating technical specifications**, which circumvents the well-established European standardisation system.
- Ensure the wide availability of safe, technically suitable and commercially viable alternatives to **PFAS**, before restricting their use in machinery.

2 | PATH TO DECARBONISATION

The constant improvement of construction machinery performance directly contributes to the sustainability of business operations. With fuel being one of the highest input costs in the sector, there is a strong commitment by machinery manufacturers to increase efficiency, lowering fuel consumption with the co-benefit of reducing CO₂ emissions.

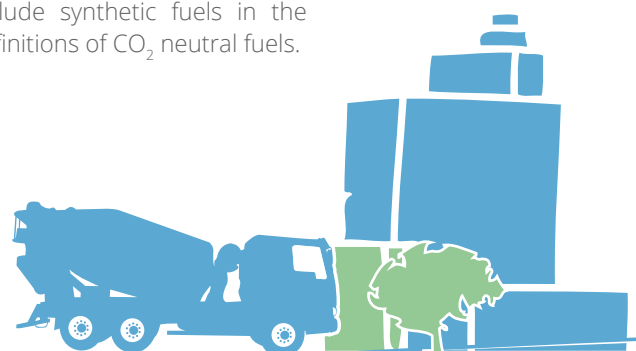
Construction machinery manufacturers are already working on the use of low or net-zero CO₂ energy carriers, together with further efficiency improvements and reductions in consumption. European manufacturers are well positioned to spearhead this activity for the global market, if they are given the opportunity to innovate according to the needs of the market.

To leverage the potential for decarbonisation offered by modern machinery, it is important to transition from a solely machine-focused approach to a more holistic view, considering all the processes where construction machines are involved, the so-called CECE 4-pillar approach.

In addition, our industry needs sector-specific solutions which cannot simply mirror those applied to the on-road sector.

For these reasons, we call on the 2024-2029 European legislature to:

- Synchronize **decarbonisation policies** with other regions of the world, to the fullest extent.
- Uphold the principle of **technological neutrality**.
- Foster the production and availability of **low or net-zero CO₂ energy carriers** at acceptable costs.
- Facilitate **large-scale deployment** of necessary refuelling infrastructure for low or net-zero energy carriers.
- Incentivise fleet renewal and upscale the adoption of net-zero machines through the **European Investment Bank loans** to large-scale buyers of net-zero machinery.
- Develop an EU-wide framework for public procurement that **supports sustainable European solutions in public tenders**.
- Include synthetic fuels in the definitions of CO₂ neutral fuels.



THE POLICIES TO SUPPORT EUROPE'S REINDUSTRIALISATION

3 | DIGITAL TRANSITION AND DATA

CECE supports the digital transformation of the construction sector. The potential of the digital transition in the construction equipment sector is substantial and the benefits are numerous. Growing adoption of digital technology could bring safer, more efficient and more sustainable jobsites.

Indeed, CECE members are driving more and more the application of digital tools at the service of more sustainable construction and building processes. CECE believes that this approach should be facilitated by policy-makers. In this field more than others, the von der Leyen Commission has introduced and adopted some fundamental legal texts, such as the Data Act and the Cyber-Resilience Act, which now require substantial efforts and time for implementation.

Reminding policy-makers that digitalisation is not a goal in itself, but a key enabler for the construction industry, CECE calls on the 2024-2029 European legislature to take the following measures:

- Provide **support to manufacturers for consistent implementation** of the Cyber Resilience Act and the Data Act.
- Deliver **harmonised standards and effective guidance** for implementation of the CRA in consistency with existing legislation.
- Ensure that implementation of the Data Act **does not hinder B2B contractual freedom** and protection of trade secrets.
- Ensure **proper implementation of the AI Act**, most of all in connection with the application of the Machinery Regulation.
- Tackle the digital skills gap in areas such as AI and cybersecurity by funding training programmes with a strong partnership between training providers and industry players.

4 | GLOBAL COMPETITIVENESS

European construction equipment manufacturers account for revenues of € 40 billion, of which € 26 billion is derived from sales beyond national borders. Coupled with the fact that the sector is traditionally export-orientated leads to CECE advocate strongly for free trade and open markets.

At the same time, with European construction equipment sales representing 20% of global demand, it is crucial that EU industry is supported in maintaining its competitiveness on an international scale. To ensure that manufacturers continue to invest in Europe, an open strategic autonomy that balances security and competitiveness must be achieved.

The COVID-19 crisis and the war in Ukraine have led to increasing calls for Europe to reduce its dependence on others and boost its global competitiveness. This concept of strategic autonomy recognises the necessity for economic security in a time of geopolitical challenges, but an important balance must be made so that it does not tip over into protectionism. European industry must be supported to help bring forward a prosperous green and digital economy, where reciprocity and fairness in international trade must be preserved.

For these reasons, we call on the 2024-2029 European legislature to:

- Conclude negotiation, ratify and implement the **EU-Mercosur** free-trade agreement.
- Finalise negotiations and ratify the **EU-India** free-trade agreement.
- Enforce **the EU Customs Union with Türkiye** and ensure frictionless trade within this common market-place.
- Carry out relevant investigations into **unfair commercial practices** of EU's global competitors.
- Reaffirm commitment to **the reconstruction of Ukraine** and ensure strategic access of European businesses to the reconstruction process.
- Find a permanent agreement on **EU-US tariffs** on steel and aluminium.
- Support and enable **sustainable mining** across the EU.
- Ensure the full implementation of the **Critical Raw Materials Act**, mostly by associating EU mining machinery manufacturers in setting up strategic partnerships with third countries.
- Ratify the **"MAC" Protocol** of the Cape Town Convention to establish an international legal framework for the financing of mining, agriculture and construction equipment.



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