



## *The European Specialist Engineering Contractors' Association*

### The effects of EU policy on specialist engineering contractors

This overview summarises the most important EU rules having direct effects on specialist engineering contractors. It is NOT an exhaustive list of all European legislation in this area.

It is divided in the following sections:

1. Opening of energy markets
2. Energy efficiency
3. Renewable sources of energy
4. Environment
5. Public procurement
6. Free movement of workers and services
7. Fiscal policy
8. Health and safety at work
9. Drinking water

The survey is based on the situation in summer 2006.

## 1. OPENING OF ENERGY MARKETS

**Directive 2003/54/EC concerning common rules for the internal market in electricity**

**Directive 2003/55/EC concerning common rules for the internal market in natural gas**

These directives establish common rules for

- the generation, transmission, distribution and supply of electricity.
- the functioning of electricity and gas sectors, access to the market, the criteria and procedures applicable to calls for tenders and the granting of authorisations and the operation of systems.
- measures to achieve social and economic cohesion, environmental protection (energy efficiency/demand-side management and means to combat climate change, security of supply).
- the unbundling of transmission system operators. Where the operator is part of a vertically integrated undertaking, it shall be independent at least in terms of its legal form, organisation and decision making from other activities not relating to transmission. The undertaking must keep separate accounts for each of its transmission and distribution activities, with a view to avoiding discrimination, cross subsidisation and distortion of competition. Where appropriate, they shall keep consolidated accounts for other, non-electricity / non-gas activities.

Status	Outlook
• Applicable by Member States as from July 04.	
<b>More information</b>	
<b>Electricity:</b> <a href="http://ec.europa.eu/energy/electricity/legislation/legislation_en.htm">http://ec.europa.eu/energy/electricity/legislation/legislation_en.htm</a>	
<b>Gas:</b> <a href="http://ec.europa.eu/energy/gas/legislation/index_en.htm">http://ec.europa.eu/energy/gas/legislation/index_en.htm</a>	



## 2. ENERGY EFFICIENCY

### Energy Efficiency Action Plan 2007-2013 (follow-up of the green paper on energy efficiency)

In June 2005, the Commission launched a public consultation on its **Green Paper on energy Efficiency (COM(2005) 265 final)**. The outcome of the consultation was summarised in a staff working paper with the title "Report on the Analysis of the Debate of the Green Paper on Energy Efficiency" (COM(2005) 265 final). The conclusion will be used for the Action Plan.

The Action Plan is likely to focus on the following areas:

- Better implementation of existing legislation and review of existing legislation in certain areas (see also Directive on Energy Efficiency End-use and Energy Services and Directive on the Energy Performance of Buildings)
- Awareness raising measures towards end-users and installers
- Promoting ESCO's and white certificate systems (see also Directive on Energy Efficiency End-use and Energy Services)
- Improving financing mechanisms for energy efficiency (see also Directive on Energy Efficiency End-use and Energy Services)

Status	Outlook
Impact assessment procedure under way	Commission proposal in expected at the end of September 2006
<b>More information</b> Green paper and Staff working paper: <a href="http://ec.europa.eu/energy/efficiency/index_en.htm">http://ec.europa.eu/energy/efficiency/index_en.htm</a>	

### Directive on the energy performance of buildings (2002/91/EC)

#### Main provisions:

- **Methodology** for the calculation of the energy performance (minimum energy performance requirements leading to **energy performance certificates**)
- **New buildings above 1000 sqm**: considering CHP, district or block heating / cooling etc.
- **Existing buildings above 1000 sqm**: improve efficiency when undergoing major renovations
- **Boilers**:
  - Regular inspection of boilers above 20 kW
  - Inspections of boilers >100 kW every 2 years (gas: 4 years)
  - One-off inspections if boilers are older than 15 years including advice on upgrading
- **Air conditioning systems**
  - Regular inspection of air conditioning systems above 12 kW
- **Building certifiers and inspectors** must be **independent and competent**

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in 12/2002;</li> <li>• In force since 1/2006;</li> <li>• 20 Member States asked for extension of deadline due to lack of qualified inspectors / certifiers</li> </ul>	<ul style="list-style-type: none"> <li>• All 45 CEN standards mandated under the directive will be published for formal vote in December 2006. If adopted, publication in mid 2007.</li> <li>• The full implementation in all Member States is not expected before 2009.</li> <li>• The revision of the directive foreseen as part of the EEAP might lead to the inclusion of buildings below 1000 sqm and smaller boilers and air conditioning systems. Revision not before 2008.</li> </ul>

#### More information

**Directive:** [http://ec.europa.eu/energy/demand/legislation/buildings\\_en.htm](http://ec.europa.eu/energy/demand/legislation/buildings_en.htm)

**EPBD Buildings Platform:** <http://www.buildingsplatform.org/cms/>

**EPBD Concerted Action:** <http://www.epbd-ca.org/>

## Directive on energy end-use efficiency and energy services (2006/32/EC)

### Main provisions:

- Member States to save 9% energy over 9 years during the 2008-2017 period.
- Member States to draw up national Energy efficiency action plans.
- Member States to remove all obstacles to the provision of energy services.
- Energy distributors and/or retail supply companies will have to offer energy services and / or provide energy audits and / or pay into an energy efficiency fund.
- Member States to guarantee a level playing field for independent ESCO's and other energy efficiency service providers.
- Member States may require auditors to be accredited / qualified.
- Member States may establish funds to support energy efficiency.
- Public procurement must take account of energy efficiency.

### Outlook:

In the medium-term, the revision of the directive is foreseen as part of the Energy Efficiency Action Plan (see above). It may lead to the creation of a European tradable white certificate scheme, the introduction of certification schemes for energy efficiency service providers, the financial support for energy efficiency measures including ESCO's and the promotion of performance contracting (in public buildings).

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in 5/2006</li> </ul>	<ul style="list-style-type: none"> <li>• Member States to submit national Energy Efficiency Action Plans by June 2007;</li> <li>• Transposition of all other provisions by 5/2008;</li> </ul>

### More information

**Directive:** <http://eur-lex.europa.eu/JOHtml.do?uri=OJ:L:2006:114:SOM:EN:HTML>

**Context:** [http://ec.europa.eu/energy/demand/legislation/end\\_use\\_en.htm](http://ec.europa.eu/energy/demand/legislation/end_use_en.htm)

## Directive on the promotion of cogeneration based on a useful heat demand in the internal energy market and amending Directive 92/42/EEC (2004/8/EC)

### Main provisions:

- Establishing harmonised efficiency reference values by 2/2006.
- Providing guarantees of origin of electricity produced from high-efficiency cogeneration.
- Member States to establish an analysis of the national potential for the application of high-efficiency cogeneration, including high-efficiency micro-cogeneration (first progress report in 2/2007).
- Support for cogeneration to be based on the useful heat demand and primary energy savings.
- Facilitating grid access, in particular for electricity produced from high-efficiency cogeneration from small scale and micro cogeneration units.

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in 2004</li> <li>• In force since 2/2006</li> <li>• Many Member States behind schedule</li> </ul>	<ul style="list-style-type: none"> <li>• Next Member State reports due in 2/2007 and thereafter every four years.</li> </ul>

### More information

**Directive:** [http://ec.europa.eu/energy/demand/legislation/heat\\_power\\_en.htm](http://ec.europa.eu/energy/demand/legislation/heat_power_en.htm)

## Directive establishing a framework for the setting of ecodesign requirements for energy-using products (2005/32/EC)

### Main provisions:

- Provides coherent EU-wide rules for eco-design and ensures that disparities among national regulations do not become obstacles to intra-EU trade.

- Does not introduce directly binding requirements for specific products, but does define conditions and criteria for setting, through subsequent implementing measures, requirements regarding environmentally relevant product characteristics (such as energy consumption) throughout the life cycle.
- Allows quick improvement of product requirements.

Implementation measures:

- Implementation measures to be developed as EU standards.
- First step: feasibility studies.
- The studies will determine the approach for the set up of minimum ecological criteria throughout the life cycle for certain energy using products including boilers, water heaters, office lighting, street lighting, residential room conditioning appliances, electric motors and commercial refrigerators and freezers

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in 2005</li> <li>• Feasibility studies for the implementation measures for 14 product groups under way.</li> </ul>	<ul style="list-style-type: none"> <li>• Expected completion of studies mid-07.</li> <li>• Implementation at Member State level by August 2007.</li> <li>• Development of European standards for the selected product groups.</li> <li>• Other products to follow.</li> </ul>
<p><b>More information</b>  <b>Directive:</b> <a href="http://ec.europa.eu/enterprise/eco_design/dir2005-32.htm">http://ec.europa.eu/enterprise/eco_design/dir2005-32.htm</a>  <b>Context:</b> <a href="http://ec.europa.eu/enterprise/eco_design/index_en.htm">http://ec.europa.eu/enterprise/eco_design/index_en.htm</a></p>	

### 3. RENEWABLE SOURCES OF ENERGY

#### Directive on the promotion of the electricity produced from renewable energy sources in the internal electricity market (2001/77/EC)

**Main provisions:**

- Establishment of national indicative targets, which are consistent with the global indicative target of a 12 % of RES-E in the gross domestic energy consumption by 2010.
- Member States to adopt a report every five years setting national indicative targets for future consumption of electricity produced from renewable energy sources for the next 10 years.
- Member States may establish support schemes.
- Providing guarantees of origin of electricity produced from renewable energy sources.
- Simplification of national administrative procedures for authorisation
- Guaranteed access to transmission and distribution of electricity from renewable energy sources.

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in 2001</li> <li>• In force since 10/2003</li> <li>• Commission evaluation report published in</li> </ul>	<ul style="list-style-type: none"> <li>• Overall target of 12 % of gross domestic energy consumption by 2010 unlikely to be met.</li> <li>• Next national summary reports on the implementation of this Directive due in 12/2010.</li> <li>• Harmonisation of national support schemes not excluded as a medium-term strategy.</li> </ul>
<p><b>More information</b>  <b>Directive:</b> <a href="http://eur-lex.europa.eu/JOIndex.do?year=2001&amp;serie=L&amp;textfield2=283&amp;Submit=Search">http://eur-lex.europa.eu/JOIndex.do?year=2001&amp;serie=L&amp;textfield2=283&amp;Submit=Search</a>  <b>Member State reports:</b> <a href="http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm">http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm</a></p>	

## Commission Communication: Biomass Action Plan (COM(2005) 628 final))

The EU currently meets 4% of its energy needs from biomass. If it made full use of its potential, it would more than double biomass use by 2010 (to about 185 mtoe in 2010) – without significantly affecting domestic food production. This increase could bring the following benefits in 2010:

- diversification of Europe's energy supply, increasing the share of renewable energy by 5% and reducing reliance on imported energy from 48 to 42%;
- direct employment for up to 250-300 000 people, mostly in rural areas.

### BIOMASS HEATING

- Drafting a directive to promote the use of biomass in heating (RES-H directive, see below)
- Amending the directive on the energy performance of buildings to increase incentives for renewable energy.
- A study of how to improve the performance of household biomass boilers and reduce pollution, with a view to setting requirements in the framework of the eco-design directive.

### The renewal of district heating

- Council to agree to the proposal to add the supply of district heating to the list of goods and services to which Member States may apply a reduced rate of VAT.

### ELECTRICITY FROM BIOMASS

- Full implementation of the Directive on the promotion of the electricity produced from renewable energy source in the internal electricity market (2001/77/EC)

Status	Outlook
<ul style="list-style-type: none"> <li>• Commission proposal</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption by Council expected in second semester of 2006.</li> <li>• Proposal for a RES-H directive: see below</li> <li>• Revision of Buildings directive: see above</li> </ul>
<b>More information</b> <b>Communication:</b> <a href="http://ec.europa.eu/energy/res/biomass_action_plan/green_electricity_en.htm">http://ec.europa.eu/energy/res/biomass_action_plan/green_electricity_en.htm</a>	

## Proposed: Directive on the promotion of heating and cooling from renewable energy sources (COM(2005) 628 final))

### Main provisions according to the Parliament resolution:

- The directive should set a target to at least double the share of renewable energies in heating and cooling by 2020 (to at least 20 %).
- Fixing "effective" national targets;
- Defining the forms of energy concerned, namely geothermal , solar thermal (incl. passive energy), district-heating and district cooling using renewable sources of energy, ambient heat and biomass;
- National action plans to attain the objectives;
- Removing administrative barriers hindering down investments;
- Possibility of national support schemes, which should be independent from annual budgets to avoid stop-and-go effects;
- Regressive character of support schemes based on learning curve for the various technologies;
- Guaranteeing security of investments;
- Information campaigns and training measures for installers;

Status	Outlook
<ul style="list-style-type: none"> <li>• Resolution of the European Parliament inviting the Commission to draft a directive (2/2006).</li> <li>• Impact assessment finalised in September 06.</li> </ul>	<ul style="list-style-type: none"> <li>• Commission announced proposal before the end of 2006.</li> <li>• Best-case scenario: directive adopted in 2008.</li> </ul>
<b>More information</b> <b>Resolution of the European Parliament:</b> <a href="http://www.europarl.europa.eu/registre/recherche/NoticeDetaillee.cfm?docid=172960&amp;doclang=EN&amp;langue=EN">http://www.europarl.europa.eu/registre/recherche/NoticeDetaillee.cfm?docid=172960&amp;doclang=EN&amp;langue=EN</a>	

## 4. ENVIRONMENT

### Regulation No 2037/2000 on Substances that Deplete the Ozone Layer

#### Main provisions:

- Regulation covers the production, importation, exportation, placing on the market, use, recovery, recycling and reclamation and destruction of chlorofluorocarbons, other fully halogenated chlorofluorocarbons, halons, carbon tetrachloride, 1,1,1-trichloroethane, methyl bromide, hydrobromofluorocarbons and hydrochlorofluorocarbons;
- Stipulates timeframe for the phasing out of certain ozone depleting substances and certain applications including cooling and air conditioning equipment;
- Determines rules for the recovery of used controlled substances in refrigeration, air-conditioning and heat pump equipment, except domestic refrigerators and freezers, equipment containing solvents and fire protection systems and fire extinguishers;
- Application of precautionary measures to prevent and minimise leakages of controlled substances;
- Fixed equipment with a refrigerating fluid charge above 3 kg to be checked for leakages annually;
- Member States to assign refrigeration technicians or other appropriate bodies meeting minimum qualification requirements as defined by each Member State.

Status	Outlook
<ul style="list-style-type: none"> <li>• Applicable by Member States as from 1 October 2000.</li> </ul>	<ul style="list-style-type: none"> <li>• Phasing out of certain substances over the next years (see text)</li> </ul>
<b>More information</b> <b>Regulation 2037/2000:</b> <a href="http://ec.europa.eu/environment/ozone/community_action.htm">http://ec.europa.eu/environment/ozone/community_action.htm</a>	

### Regulation No 842/2006 of 17 May 2006 on certain fluorinated greenhouse gases

#### Main provisions:

- Regulation covers the production, importation, exportation, placing on the market, use, recovery, recycling and reclamation and destruction of HFCs, PFCs and SF<sub>6</sub>;
- Determines rules to avoid leakage and ensure rapid repair of the following stationary applications: refrigeration, air conditioning and heat pump equipment, as well as fire protection systems;
- Regular inspection of applications containing 3 kg or more of F-gases (once a year), above 30 kg: once every six months, above 300 kg: once every three months.
- Determines rules for the recovery of F-gases;
- On the basis of information received from Member States and in consultation with the relevant sectors, minimum requirements and the conditions for mutual recognition will be established in respect of training programmes and certification for both the companies and the relevant personnel involved in installation, maintenance or servicing of the equipment and systems.
- Member States to establish or adapt their own training and certification requirements, on the basis of these minimum requirements and guarantee mutual recognition.

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted following a conciliation procedure in May 2006</li> </ul>	<ul style="list-style-type: none"> <li>• Applicable by Member States as from 4 July 2007;</li> <li>• Commission to publish evaluation report by 31 December 2007.</li> <li>• 31 December 2008: deadline for the Commission to present possible further legislative proposals;</li> <li>• By 4 July 2007, fixing minimum requirements and conditions for mutual recognition for both the companies and the relevant personnel involved in installation, maintenance or servicing;</li> <li>• By 4 July 2008, Member States to establish or adapt their training and certification requirements, on the basis of these minimum requirements;</li> </ul>

**More information:**

<http://www.europarl.europa.eu/oeil/FindByProcnum.do?lang=2&procnum=COD/2003/0189A>

## 5. PUBLIC PROCUREMENT

### Directive 2004/18/EC of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts

**Main provisions:**

- Defines the rules for public procurement in the Internal Market (notices, award procedures and criteria etc.);
- Fixes thresholds above which the directive has to be applied:
  - Public works contracts: 249,000 EUR
  - Public service contracts: 6,242,000 EUR
- Introduces reverse Internet auctions and defines their functioning;
- Fixes details for the publication of tender notices and time limits for the receipt of tenders (including be electronic means);
- Contracting authorities may require tenderers to run quality management and / or environmental management systems;
- Allows the award to the economically most advantageous tender or the lowest price;
- Defines abnormally low tenders and the procedures to follow if an abnormally low tender is detected.
- Fixes rules for public works concessions.

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in March 2004;</li> <li>• Applicable by Member States as from 31 March 2006.</li> </ul>	

**More information:**

**Directive, Common Procurement Vocabulary (CPV) etc.**

[http://ec.europa.eu/internal\\_market/publicprocurement/legislation\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/legislation_en.htm)

### Interpretive Communication on the award of public contracts to which the provisions of the PP Directives are not or not fully applicable (COM)

**Main issues (according to draft paper):**

- Presently, public contracts below the thresholds fixed in directive 2004/18/EC are governed by national rules only.
- Case law indicates that the principles of non-discrimination and transparency must also apply to contracts below the thresholds.
- The Commission thinks the main provisions of the Public Procurement Directive should apply to these contracts (rules on advertising, contract award etc.).

Status	Outlook
<ul style="list-style-type: none"> <li>• Commission communication published in July 06</li> </ul>	<ul style="list-style-type: none"> <li>• As an interpretation of European case law, the document will affect national practices and might give rise to legal action if the rules are disregarded by public authorities.</li> </ul>

**More information:**

**Communication:** [http://ec.europa.eu/internal\\_market/publicprocurement/key-docs\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/key-docs_en.htm)

**Green Paper on public-private partnerships and Community law on public contracts and concessions COM/2004/0327 final**

and

**Communication from the Commission on Public-Private Partnerships and Community Law on Public Procurement and Concessions COM/2005/0569 final**

**Main contents:**

- Green paper: consultation of stakeholders as to whether public private partnerships (PPP) are sufficiently regulated by the public procurement directive (18/2004/EC).
- Communication: analysis of stakeholder submissions and political conclusions:

**Envisaged actions:**

Possible directive on concessions

- Regulate both works and service concessions;
- Providing a clear delineation between concessions and public procurement contracts.
- Requiring adequate advertising of the intention to award a concession and fix the rules governing the selection of concessionaires.
- Addressing problems relating to the long duration of concessions, such as the need for their adaptation over time, as well as questions on PPPs established to build and operate cross-border infrastructures.

Possible Interpretative Communication on institutionalised PPPs (IPPP)

- Clarifying the application of public procurement rules to the establishment of mixed capital entities the objective of which is to perform services of general (economic) interest and to the participation of private firms in existing public companies, which perform such tasks.
- Outlining ways of establishing IPPPs ensuring that the accompanying award of tasks is EC law compatible.

Status	Outlook
<ul style="list-style-type: none"> <li>• Impact assessment of possible legislative actions in 2006</li> </ul>	<ul style="list-style-type: none"> <li>• Draft directive on concessions not before 2007;</li> <li>• Interpretative Communication on institutionalised PPPs not before 2007.</li> </ul>
<p><b>More information:</b>  <b>Green paper and communication:</b>  <a href="http://ec.europa.eu/internal_market/publicprocurement/ppp_en.htm">http://ec.europa.eu/internal_market/publicprocurement/ppp_en.htm</a></p>	

## 6. FREE MOVEMENT OF WORKERS AND SERVICES

**Directive on the posting of workers (96/71/EC)**

and

**Communication COM(2006) 159 from the Commission  
 "Guidance on the posting of workers within the framework of the provision of services"**

**Main provisions of the Directive:**

- Posted workers must enjoy the application of certain minimum protective provisions in force in the Member State to which they are posted including:
  - maximum work periods and minimum rest periods,
  - minimum paid annual holidays,
  - minimum rates of pay,
  - the conditions of hiring-out of workers, in particular by temporary employment undertakings,
  - health, safety and hygiene at work,
  - protective measures for pregnant women / young mothers and young people.

- These rules must be laid down by the legislations of the host country and/or by collective agreements or arbitration awards, which have been declared universally applicable.

#### **Main content of the Communication:**

- Analyses EU case law and its effects on the directive;
- Announces a questionnaire to national authorities and social partners on implementation;
- Announces Commission action if compliance with the relevant provisions has not substantially improved.

Status	Outlook
<ul style="list-style-type: none"> <li>• Applicable by Member States as from December 1999;</li> </ul>	<ul style="list-style-type: none"> <li>• Publication of questionnaire on the directive's implementation in 2006/07;</li> <li>• Launching of infringement procedures against Member States, which fail to apply the provisions.</li> </ul>
<p><b><u>More information:</u></b>            Directive, Communication, case law and background information:  <a href="http://ec.europa.eu/employment_social/labour Law/postingofworkers_en.htm">http://ec.europa.eu/employment_social/labour Law/postingofworkers_en.htm</a></p>	

## **Directive on the recognition of professional qualifications (2005/36/EC)**

#### **Main provisions:**

- Establishes rules according to which a Member State which makes access to or pursuit of a regulated profession in its territory contingent upon possession of specific professional qualifications shall recognise professional qualifications obtained in another Member State;
- **Principle of the free provision of services**  
 No restriction if the service provider is legally established in a Member State and where he has pursued that profession for at least two years during the last 10 years when the profession is not regulated in that Member State.  
 The condition requiring two years' pursuit shall not apply when either the profession or the education and training leading to the profession is regulated.
- Substantial differences between the professional qualifications: possibility of an aptitude test;
- **Freedom of establishment**  
 Diplomas must be recognized if they attest a level of professional qualification at least equivalent to the level immediately prior to that which is required in the host Member State.
- Possibility of adaptation period or an aptitude test in the event of significant differences;
- **Recognition of professional experience:**  
 Automatic recognition if, for example, the service provider has worked for six consecutive years on a self-employed basis or as a manager of an undertaking (five other options possible)

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in September 2005;</li> </ul>	<ul style="list-style-type: none"> <li>• Applicable by Member States as from 20 October 2007;</li> <li>• National implementation reports every two years.</li> </ul>
<p><b><u>More information:</u></b>  <b>Directive:</b> <a href="http://ec.europa.eu/internal_market/qualifications/future_en.htm">http://ec.europa.eu/internal_market/qualifications/future_en.htm</a></p>	

## **In legislative process: Directive on services in the Internal Market (COM(2006) 160)**

#### **Main provisions according to the latest draft documents:**

- Aims to remove barriers hampering the free movement of services between Member States (with and without establishment in host country);
- National authorisation / accreditation schemes for electrical or gas installers are very likely to be in compliance with the directive due to overriding interest of public health and safety;
- Requirements on foreign service providers to be necessary, proportional and non-discriminatory;

- Introduction of single points of contact for all requirements on foreign service providers;
- Possibility of drafting harmonised European forms for authorizations / accreditations etc.);
- The authorities from the host country will have the right to inspect foreign service providers;
- Foreign service providers will have to respect most rules and requirements of the host country.

Status	Outlook
<ul style="list-style-type: none"> <li>• First Commission proposal in 2003;</li> <li>• First reading in Parliament: February 2006;</li> <li>• Second Commission proposal: April 2006;</li> <li>• First reading in Council: May 2006.</li> </ul>	<ul style="list-style-type: none"> <li>• Parliament is currently preparing second reading;</li> <li>• Adoption of the directive probably at the end of 2006.</li> <li>• After evaluation, Commission may propose harmonisation of requirements for certain services.</li> </ul>
<p><b>More information:</b>  <b>Draft documents and background papers</b>  <a href="http://ec.europa.eu/internal_market/services/services-dir/proposal_en.htm">http://ec.europa.eu/internal_market/services/services-dir/proposal_en.htm</a></p>	

## 7. FISCAL POLICY

### Council Directive 2006/18/EC amending Directive 77/388/EEC with regard to reduced rates of value added tax and Sixth Council Directive on the harmonization of the laws of the Member States relating to turnover taxes — Common system of value added tax: uniform basis of assessment (77/388/EEC)

#### Main provisions:

- Annex K of directive 77/388/EC authorises the application of reduced VAT rates for certain locally-provided labour-intensive services including “Renovation and repairing of private dwellings, excluding materials which form a significant part of the value of the supply”.
- Through directive 2006/18/EC, possibility for Member States to apply a reduced rate to supplies of district heating and extension of the validity of annex K until 2010.

Status	Outlook
<ul style="list-style-type: none"> <li>• Schemes prolonged until the end of 2010;</li> <li>• Member States could apply for the application of annex K by 31 March 2006;</li> <li>• 15 out of 25 Member States apply reduced VAT rates for the renovation of private dwellings according to annex K</li> </ul>	<ul style="list-style-type: none"> <li>• Commission to conduct a study, by the end of June 2007, providing an assessment of the impact of reduced rates in terms of job creation, economic growth and the internal market.</li> <li>• Current scheme expires on 31 December 2010.</li> </ul>
<p><b>More information:</b>  <b>Directive 2006/18/EC and Member State reports on effects of reduced VAT rates:</b>  <a href="http://ec.europa.eu/taxation_customs/taxation/vat/key_documents/index_en.htm">http://ec.europa.eu/taxation_customs/taxation/vat/key_documents/index_en.htm</a>  <b>Directive 77/388/EEC:</b>  <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:01977L0388-20060101:EN:NOT">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:01977L0388-20060101:EN:NOT</a></p>	

## 8. HEALTH AND SAFETY AT WORK

### Communication from the Commission - Adapting to change in work and society: a new Community strategy on health and safety at work 2002-2006 (COM/2002/0118 final)

#### Contents:

- Describes the Commission strategy in the field of health and safety at work;
- Announces legislative measures (see below);

- Put new focus on “emerging” illnesses such as stress, depression, anxiety, violence at work, harassment and intimidation, which are responsible for 18% of all problems associated with health at work, with a quarter of them resulting in two weeks or more absence from work.

#### **Outlook:**

- New strategy (2007-2011) under preparation (consultation of social partners)
- Focus likely to be on implementation and simplification.
- Topics for future initiatives:
  - Musculoskeletal Disorders
  - Manual handling of heavy loads
  - Ergonomics
  - Carcinogen (revision)
  - Maybe opening the framework directive
  - Visual display units

Status	Outlook
<ul style="list-style-type: none"> <li>• Strategy in application.</li> </ul>	<ul style="list-style-type: none"> <li>• New draft strategy likely to be tabled in autumn 2006.</li> </ul>
<b>More information:</b> <b>Strategy:</b> <a href="http://ec.europa.eu/employment_social/health_safety/strategies_en.htm">http://ec.europa.eu/employment_social/health_safety/strategies_en.htm</a>	

### **Directive 2001/45/EC concerning the minimum safety and health requirements for the use of work equipment by workers at work**

#### **Main provisions:**

- Second individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC;
- Contains provisions concerning the use of work equipment provided for temporary work at a height (ladders, scaffolding; rope access etc.);
- work equipment must be safe and suitable;
- Collective protection measures must be given priority over personal protection measures;
- Appropriate measures for minimising the risks to workers inherent in this type of equipment must be determined.

Status	Outlook
<ul style="list-style-type: none"> <li>• Applicable by Member States as from July 2004</li> </ul>	
<b>More information:</b> <b>Directives 89/391/EEC and 2001/45/EC</b> <a href="http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm">http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm</a>	

### **Directive 2002/44/EC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (vibration)**

- Sixteenth individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC;
- Exposure limit values and action values
  1. For hand-arm vibration:
    - (a) the daily exposure limit value standardised to an eight-hour reference period is 5 m/s<sup>2</sup>;
    - (b) the daily exposure action value standardised to an eight-hour reference period is 2,5 m/s<sup>2</sup>.
  2. For whole-body vibration:
    - (a) the daily exposure limit value standardised to an eight-hour reference period is 1,15 m/s<sup>2</sup> or, at the choice of the Member State concerned, a vibration dose value of 21 m/s<sup>1,75</sup>;
    - (b) the daily exposure action value standardised to an eight-hour reference period is 0,5 m/s<sup>2</sup> or, at the choice of the Member State concerned, a vibration dose value of 9,1 m/s<sup>1,75</sup>.
- The employer to assess and the levels of mechanical vibration to which workers are exposed;

- The employer to take measures to minimise or avoid risks;
- The employer to ensure that workers receive information and training relating to the risks.

Status	Outlook
<ul style="list-style-type: none"> <li>• Applicable by Member States as from July 2005</li> </ul>	<ul style="list-style-type: none"> <li>• Member States to provide a report on the practical implementation of this Directive every five years.</li> </ul>
<p><b>More information:</b>  <b>Directives 89/391/EEC and 2002/44/EC</b>  <a href="http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm">http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm</a></p>	

### Directive 2003/10/EC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (noise)

**Main provisions:**

- Seventeenth individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC;
- Exposure limit values and exposure action values in respect of the daily noise exposure levels and peak sound pressure are fixed at:
  - (a) exposure limit values: LEX,8h = 87 dB(A) and ppeak = 200 Pa (1) respectively;
  - (b) upper exposure action values: LEX,8h 85 dB(A) and ppeak = 140 Pa (2) respectively;
  - (c) lower exposure action values: LEX,8h = 80 dB(A) and ppeak = 112 Pa (3) respectively.
- Employer to be in possession of an assessment of the risk;
- The employer to take measures to minimise or avoid risks;
- Individual hearing protectors to be made available to workers;
- Employer to ensure that workers receive information and training relating to the risks.

Status	Outlook
<ul style="list-style-type: none"> <li>• Applicable by Member States as from 15 February 2006.</li> </ul>	<ul style="list-style-type: none"> <li>• Member States to provide a report on the practical implementation of this Directive every five years.</li> </ul>
<p><b>More information:</b>  <b>Directives 89/391/EEC and 2003/10/EC</b>  <a href="http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm">http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm</a></p>	

### Directive 2004/40/EC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic fields)

**Main provisions:**

- 18th individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC;
- Defines detailed exposure limit values;
- The employer to assess and, if necessary, measure and/or calculate the levels of electromagnetic fields to which workers are exposed;
- The employer to take measures to minimise or avoid risks;
- The employer to ensure that workers receive information and training relating to the risks.

Status	Outlook
<ul style="list-style-type: none"> <li>• Adopted in 2004.</li> </ul>	<ul style="list-style-type: none"> <li>• Applicable by Member States as from 30 April 2008.</li> <li>• Member States to provide a report on the practical implementation of this Directive every five years.</li> </ul>

**More information:**

**Directive 89/391/EEC:** [http://ec.europa.eu/employment\\_social/health\\_safety/legislation3\\_en.htm](http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm)

**Directive 2004/40/EC:** <http://europa.eu.int/eur-lex/lex/JOHtml.do?uri=OJ:L:2004:184:SOM:EN:HTML>  
or (for the new Member States):

[http://europa.eu.int/smartapi/cgi/sga\\_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=32004L0040&model=guichett](http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=32004L0040&model=guichett)

## Directive 2003/18/EC on the protection of workers from the risks related to exposure to asbestos at work

**Main provisions:**

- Defines dangerous asbestos fibres;
- Employers to ensure that no worker is exposed to an airborne concentration of asbestos in excess of 0,1 fibres per cm<sup>3</sup> as an eight-hour time-weighted average;
- Obligation of wearing individual protective breathing equipment;
- Before beginning demolition or maintenance work, employers to identify presumed asbestos-containing materials;
- Employers to provide appropriate training for all workers;
- Exemptions for sporadic exposure of low intensity (for ex. short, non-continuous maintenance activities in which only non-friable materials are handled);
- Before carrying out asbestos demolition or removal work, firms must provide evidence of their ability in this field in accordance with national laws and/or practice.

Status	Outlook
• Applicable by Member States as from 15 April 2006.	

**More information:**

**Directive:** [http://ec.europa.eu/employment\\_social/health\\_safety/legislation3\\_en.htm](http://ec.europa.eu/employment_social/health_safety/legislation3_en.htm)

## 9. DRINKING WATER

### Directive 98/83/EC of on the quality of water intended for human consumption

**Main provisions:**

- Aims to protect human health from the adverse effects of any contamination of water intended for human consumption by ensuring that it is free from any micro-organisms and parasites and from any potentially dangerous substances, and meets minimum parametric values)
- Point of compliance: the point, within premises or an establishment, at which it emerges from the taps that are normally used for human consumption;
- Member States have fulfilled their obligations where non-compliance with the parametric values is due to the domestic distribution system or the maintenance thereof except in premises and establishments where water is supplied to the public, such as schools, hospitals and restaurants.
- In that case, appropriate measures are to be taken to reduce or eliminate the risk, such as advising property owners of any possible remedial action they could take, and/or other measures, such as appropriate treatment techniques, are taken to change the nature or properties of the water before it is supplied so as to reduce or eliminate the risk;
- Defines certain derogations and monitoring requirements.

**Topics for revision:**

- Parameters in the DWD (adaptation to the state of the art, transparency etc.);
- Reporting obligations, objectives and formats;
- Risk Assessment, Risk Management Approach, Water Safety Plans;
- New methods for monitoring and sampling for compliance and analytical issues;
- Legal aspects such as coverage of the DWD;
- Legal basis for the European Approval Scheme (EAS).

Status	Outlook
<ul style="list-style-type: none"> <li>• Applicable by Member States as from December 2000;</li> <li>• Commission strategy for revision published in January 2006</li> </ul>	<ul style="list-style-type: none"> <li>• Revision process launched;</li> <li>• Draft revised directive to be expected in 2007.</li> </ul>
<p><b>More information:</b>  <b>Directive and national reports:</b> <a href="http://ec.europa.eu/environment/water/water-drink/index_en.html">http://ec.europa.eu/environment/water/water-drink/index_en.html</a>  <b>Commission strategy for revision:</b> available at the CEETB secretariat</p>	

## Council Directive 89/106/EEC on the approximation of laws, regulations and administrative provisions of the Member States relating to construction products

### European Approval Scheme (EAS) for Construction Products in Contact with Drinking Water

**Main provisions:**

- Directive aims to create an internal markets for construction products;
- EAS:
  - Certification scheme of construction products in contact with water intended for human consumption;
  - CE marked products to comply with EAS;
  - Still unclear whether CE mark certifies fitness for use for all types and temperatures of water;

Status	Outlook
<ul style="list-style-type: none"> <li>• Directive applicable by Member States since 1991.</li> <li>• Revision process launched in 2006;</li> <li>• Development of EAS under way since 2000;</li> </ul>	<ul style="list-style-type: none"> <li>• Presentation of draft revised directive likely in 2007;</li> <li>• Contents and structure still unclear;</li> <li>• EAS likely to be adopted in 2007 and incorporated in revised construction products directive (still unclear whether reference included in revised directive 98/83/EC)</li> </ul>
<p><b>More information:</b>  <b>Directive:</b> <a href="http://ec.europa.eu/enterprise/construction/internal/cpd/cpd_en.htm">http://ec.europa.eu/enterprise/construction/internal/cpd/cpd_en.htm</a></p>	

Brussels, August 2006