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Meeting the Challenge of Population Growth and Climate Change Managing Water in the 21st century

FIEC's call to action

In remarks concluding FIEC's annual conference in Amsterdam, devoted this year to the theme of water management, FIEC President Thomas Schleicher, spoke clearly of the need of the EU and the Member States to **urgently address adaptation to the effects of climate change without reducing parallel efforts to bring down greenhouse gas emissions**. In this respect, Mr Schleicher pointed to the example of the Netherlands and the country's Delta Programme that will see €1.3 billion per year invested in improving the resilience of Dutch sea defences and river management to anticipate the threat posed by climate change.

In strongly worded comments, Mr Schleicher voiced criticism at those countries which talk loudly about the need to anticipate the effects of climate change whilst at the same time reducing investment in defences for areas at risk of major flooding. Schleicher added that the scenes of flooding across Central Europe in the last few weeks should bring home to decision makers the need to adopt more pro-active policies across Europe rather than simply spending money on disaster relief. In this regard, an **early involvement of the private sector, including the construction industry**, is crucial to ensure the necessary investment and technological innovation.

FIEC used the occasion of the conference to unveil a number of policy recommendations (attached to this press release). The most important of these is to **ensure the necessary flow of both public and private investment** in hard infrastructure such as flood defences and new dams, but also in soft infrastructure such as river management schemes and wetlands that will be crucial to ensure that European society and its economy remain resilient to the more severe weather events brought by climate change which, evidence suggests, are already occurring more frequently.

The current economic crisis should not be used as an excuse to defer such investment but rather as an **opportunity to stimulate economic activity** that will lead to more sustainable growth with the associated benefits of increased employment and competitiveness.

Other recommendations concerned **water efficiency**. Member State governments should force water utilities to mend leaks in the water distribution network that can, in some countries, lead to over half of the public water supply being wasted before it reaches the final consumer. On average **Europe wastes 20% of its water due to inefficiency** and in the view of FIEC, the EU has a key role to play in benchmarking Member States in how seriously they tackle this issue.

Announcing a major survey of FIEC's members concerning national measures to adapt to climate change, Mr Schleicher warned that **"the construction industry will not be spared from these developments and should endeavour to anticipate them"**. Referring to the export potential of the expertise and know-how of Europe's contractors clearly on display during the conference, he went on to conclude that it was a duty of the construction industry to "cherish and protect" the planet's water resources.

FIEC is the European Construction Industry Federation, representing via its 33 national Member Federations in 29 countries (27 EU & EFTA, Croatia and Turkey) construction enterprises of all sizes, i.e. craftsmen, small and medium-sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities.

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FIEC Conference

Water in the 21st century: The Role of European Contractors

Key Policy Recommendations

Within the framework of its general approach to sustainable development, FIEC and its Member Federations are aware of the responsibility of the construction industry in managing Europe's water resources sustainably so as not to put in jeopardy future access to freshwater resources both for human consumption and for industrial activity. From the simple installation of water saving devices in homes and offices to the high-tech engineering necessary to build state of the art flood defences, European contractors -- both SMEs and larger firms -- are an essential player in ensuring the preservation of Europe's water resources in the 21st century. The industry however cannot act alone and the right financial and regulatory framework is needed by both national and European policymakers. Crucially the urgency of responding and anticipating the effects of climate change on water resources should be addressed now and not postponed until better economic times.

1. Adaptation to Climate Change is Urgent

In responding to the global threat of climate change, the European Union is the best placed to lead. Given the failure of current global agreements such as Kyoto to bring down the concentration of carbon dioxide in the atmosphere, adaptation to Climate Change must take on increased importance within EU policymaking. By contrast, at this stage preparations at Member State and EU level are piecemeal and insufficient and short term thinking predominates. FIEC considers that preparing for the effects of climate change now will be much more cost effective than waiting for those effects to become irreversible.

2. Ensure necessary infrastructure investment to meet threat of climate change

Together with existing funding for transport and energy infrastructure, provision needs to be made for new infrastructure as well as adapting existing infrastructure to increased incidents of extreme weather such as damage caused by flooding and prolonged spells of drought or extreme heat. The current proposal by the European Commission to increase climate expenditure to €200bn over the next seven year multi-annual financial framework may prove to be insufficient given the scale of the challenge.

3. Ensure early involvement of the private sector

The scale of the challenge of adapting to climate change and developing the necessary infrastructure and technological solutions cannot be met without the early involvement of the private sector, including construction companies, when setting out national and European climate change adaptation strategies.

4. Prioritise improving the efficiency of water consumption

Simply ensuring correct maintenance of existing water distribution pipes is an effective first step to preserving existing supplies of water. It is estimated that Europe continues to waste 20% of its water due to inefficiency. National legislation should force water companies to meet ambitious binding targets to reduce leakage rates. The European Union should benchmark countries based on their performance in this area. In order to promote water efficiency the user pays principle must apply. Price signals set by regulators must reward efficient water consumption and penalize wastage both on domestic, agricultural and industrial users.

5. Ensure investment in R&D enables industry to provide innovative solutions.

FIEC welcomes the increasing focus on climate change adaptation but insists that rather than change focus on a yearly basis, adaptation should receive ongoing support in the research framework programme. Only long term predictability in research funding will create the economies of scale needed for European companies to export their know-how and expertise to other parts of the world.