

ANNUAL ECONOMIC REPORT

No.3
MARCH 2017

Constructing a sustainable and competitive European economy

Dear reader,

Welcome to the new CECE Annual Economic Report, the third edition in the new format.

The report contains an overview of the macro economic situation in Europe, insights on the construction and mining industries, and then focusses on the construction equipment industry for an in-depth look at how the CECE sector is performing. For the first time, the report this year also includes information from the national CECE member associations, shedding more light on regional developments in the European construction equipment sector.

The CECE Annual Economic Report is publicly available at www.cece.eu to help promote the knowledge and understanding of the sector amongst a wider audience.

The European construction equipment industry is an important part of the European engineering sector, and plays a significant role in the economy of the European Union and its direct neighbours. The sector offers all kinds of “work tools” used in construction and related industries, and is instrumental in boosting economic development and societal improvement. It includes machines such as road making equipment, earthmoving machines, concrete equipment and tower cranes.

The sector’s durable and innovative machin-

ery, manufactured by thousands of employees and used and maintained by thousands of others, helps to build the houses, offices, schools, factories, railways, roads, bridges, tunnels and canals that connect people, boost economies and serve citizens across Europe and the world.

The European construction equipment industry represents about 5% of total EU engineering output and accounts for approximately 20% of worldwide production of construction equipment. Manufacturers are principally small and medium-sized companies, but there are also large European and multinational companies with production sites in Europe.

Small or big, the common denominators are the capacity to innovate, the high level of product diversity and the large complexity in the manufacturing supply chain. The sector is a key example of Europe’s engineering leadership and, in other words, is a fundamental asset in constructing the sustainable and competitive economy that Europe needs to be fit for the future.

This report is produced by a small group of people from the CECE member associations and the secretariat in Brussels. We hope it provides you with valuable new insights and wish you pleasant reading. Comments are always welcome and can be directed to info@cece.eu.

The CECE team

Executive Summary

CONSTRUCTION INDUSTRY

Growth in European construction investments accelerated in 2016, thanks to a strong impulse for residential and non-residential building construction. 2017 is expected to see a continuation of the construction market recovery, but the growth drivers will shift: While civil engineering should be back on track, building construction will most likely see slower growth than last year.

MINING INDUSTRY

The mining sector seems to have hit the bottom last year, and is set for stabilization in 2017. Along with growing commodity prices around the globe, a slight growth of investment activity is a realistic scenario for the coming years.

EQUIPMENT MARKET

The European construction equipment sector saw sound growth of 10% in 2016. Building construction equipment experienced better demand than the civil engineering equipment sub-sectors. The market is at its highest level in five years, but still considerably below the pre-crisis record levels.

REGIONAL PERSPECTIVES

France and Germany were the growth poles in 2016. Most Northern and Western European markets are on very high absolute levels. However, the recovery of Southern Europe is still restrained, and growth in Central and Eastern Europe has come to a halt. After two extremely bad years, the Russian market recorded signs of recovery in 2016.

OUTLOOK

Against the backdrop of positive construction industry forecasts, European manufacturers are increasingly optimistic about equipment sales growth in 2017. Industry sentiments have experienced a strong upturn, and most countries and regions are seen positive. World construction equipment sales are expected to see substantial sales growth after three consecutive years of decline. Sales in Europe should see a slight single-digit increase.



MACROECONOMIC VIEW

Outlook of the market in the age of political uncertainties

The economic recovery in Europe is set to continue at a moderate pace, but the forecast is surrounded by uncertainty, which has reached a new high. Monetary policy from the ECB remains supportive, but it is not sufficient to stimulate investment.

The resilience of the European economy has resulted from a number of favourable factors, including a relatively low oil price, the depreciation of the euro, accommodative monetary policies and a broadly neutral fiscal policy stance.

The implementation of structural reforms in some Member States has also helped to underpin the recovery, particularly in the labour market. Private consumption has remained the main driver of growth, while levels of investment have continued to be disappointing.

The positive factors supporting economic growth have begun to fade just as Europe faces a number of new challenges. Uncertainty is rising, driven by the unpredictable outcome of the UK's 'Brexit' negotiations, and by up and coming elections in a number of large Member States.

Investment remained weak last year, despite substantial policy support and improvements in the financial climate. This year, investment is expected to be constrained by a weak economic demand outlook, which remains moderate, and

by the heightened uncertainty due to the UK's exit from the EU and the uncertainty surrounding future US policies.

Investment is expected to accelerate in 2018 due to lower financing costs, an improving global demand outlook, higher capacity utilisation, and recovering profit margins.

GDP growth in the euro area was 1.7% in 2016. This is forecast to ease slightly to 1.6% this year, before picking up to 1.8% in 2018. This steady but moderate expansion will be driven mainly by domestic demand.

	Gross Domestic Product growth in %				Gross Investment in equipment in %			
	2015	2016	2017	2018	2015	2016	2017	2018
Germany	+1.7%	+1.9%	+1.6%	+1.8%	+3.7%	+1.7%	+1.2%	+2.7%
France	+1.3%	+1.2%	+1.4%	+1.7%	+2.3%	+6.0%	+4.1%	+5.0%
UK	+2.2%	+2.0%	+1.5%	+1.2%	+4.7%	+2.3%	+2.0%	+0.2%
Spain	+3.2%	+3.2%	+2.3%	+2.1%	+8.9%	+5.9%	+4.0%	+3.8%
Italy	+0.7%	+0.9%	+0.9%	+1.1%	+4.3%	+4.8%	+4.6%	+3.7%
EU28	+2.2%	+1.9%	+1.8%	+1.8%	+4.8%	+3.3%	+3.4%	+3.5%

GDP and investment growth forecast for European countries, source: CoeRexecode, European Commission





CONSTRUCTION INDUSTRY

Construction activity in Europe has increased by 2% in 2016

Following growth of 1.8% in 2015, there was modest acceleration of growth to 2% in construction activity in Europe in 2016. Total residential construction grew by 3.9%, and activity has been rising in most countries. In particular, there has been growth in new building activity. Overall, growth has been stronger in the Eastern countries than in the Western parts of the region. New residential construction has been a significant driver of growth, particularly in Germany, UK, Spain, France and Sweden. Renovation in the residential sector has also stimulated growth in France and Italy.

Growth in the residential sector strengthened in 2016, and ended up at an impressive 3.9%, driven mainly by 7.2% growth in new building activity. In contrast, renovation work continued to be lower than new construction.

THE EUROPEAN RESIDENTIAL MARKET IS GROWING, BUT IS STILL FRAGILE

Residential investment in Italy is still weak, and uncertainty remains high. In 2016, new residential construction was still declining, but the trend is turning and there is expected to be some growth this year and in 2018. Growth in renovation activity remains moderate. The turn-around in the housing market in Spain has begun, although the market is still fragile, and large amounts of housing stock remain unsold, or for rent in some areas. New residential construction started to rise in 2015 after a long decline. Renovation work is also rising, and achieved 4.5% growth in 2016. After some years of decline, new residential construction increased in France in 2016. Government policies have been very helpful, particularly for helping young buyers to enter the housing market, and this has been accompanied by

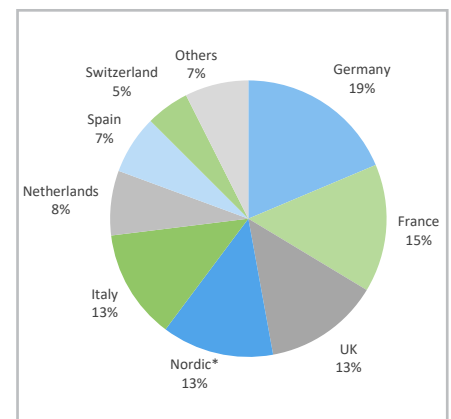
attractive housing loans. Alongside this, renovation activity continues to grow moderately. In Germany, high growth is forecast for 2016 and 2017 in new residential construction, continuing the growth trend in recent years. This is driven by high growth in the construction of flats.

Renovation work in Europe has been stimulated by the requirements of an ageing housing stock, an improving economic climate, and the keenness of many property owners to undertake maintenance and modernisation work. As a result, the level of renovation work is very high, accounting for 70% of total residential construction activity in 2015, but reducing moderately in 2016 to 60%, due to an increase in new building work.

THE NON-RESIDENTIAL CONSTRUCTION MARKET IS ON THE RIGHT TRACK

Non-residential construction activity grew by 1.5% in 2016, ending seven consecutive years when the market either declined, or was stable at best.

Non-residential construction is the second largest segment within the construction sector. Housing is the leading sub-sector



*Civil Engineering countries in Euroconstruct 19 countries 2016; *=Denmark, Finland, Norway, Sweden, source: Euroconstruct*

accounting for 47% of construction output, with non-residential at 32%, and civil engineering at 21%. New building work represents 52% of non-residential activities, slightly ahead of renovation work.

Estimates for 2016 indicate that the education sector accounted for 13.4% of new non-residential building activity. The education sub-sector showed 2.3% growth in 2016, and further increases are anticipated for 2017 and 2018. Building work in the health sector remains weak, and continues the decline which began in 2009. Industrial buildings represent 16% of new non-residential work, and showed a 2% increase in 2016. Warehousing showed a



1.4% increase, and commercial building work grew by 1.3%, which was less than expected. Office building activity represents 17% of new non-residential work, and saw growth of around 3.6% in 2016. Finally, agricultural buildings accounted for 6.5% of new non-residential work in 2016, and registered growth of 2.6%.

THE CIVIL ENGINEERING MARKET IS AT A LOW LEVEL

The civil engineering sector has been hit by the weak economic climate, with many infrastructure investments being scrapped to help balance public finances. In 2016, civil engineering work declined again by 1% in Europe. In particular, workloads fell in railways, other types of transport and the energy industry. As a result, 2016 output is still 14% lower than the 2009 peak. Within Western Europe, civil engineering work declined slightly by 0.3% in 2016, while in Eastern European, it declined significantly by 9%, suffering from the reductions in the EU funding programme.

Spain, Portugal and the UK saw the biggest declines in activity in 2016. Germany accounts for 17% of total civil engineering output in Europe, and is the leading country. Spain has fallen out of the top five ranking to sixth place, below Holland. The Norwegian and Swiss civil engineering sectors experienced robust growth in 2016, and these countries, along with Poland, follow Germany in the ranking of the top five countries. The Czech Republic, Hungary, Poland and Slovak Republic represent less than 8% of the total value of civil engineering work in Europe. In these four countries, civil engineering construction is driven more by new construction activity than countries in the West. However, the share of renovation work is growing moderately, due to lack of investment in new construction projects.

Road construction is the largest sub-sector within civil engineering, and accounts for 34% of total work. This activity has suffered most from government spending cut backs, and the volume of work has contracted significantly since 2010. In 2016, road construction activity remained

relatively stable (-0.3%). Construction of railway lines has contracted in recent years. In 2015, output remained close to the previous year's level, but 2016 saw a clear drop. Construction activity in the Energy sector has seen the most buoyant growth within civil engineering since the financial crisis. Its value this year will account for 17% of total civil engineering work, and overall, it is about 20% above the level 10 years ago, while other civil engineering sectors are approximately 15% lower. Despite this, construction output in the energy sector fell by over 5% in 2016, and is expected to show another slight fall this year. Following this, output is expected to remain stable.

FORECAST FOR 2017-2019: GROWTH RATES TO SLOW DOWN FOR BUILDING CONSTRUCTION, BUT PROSPECTS IMPROVING FOR CIVIL ENGINEERING

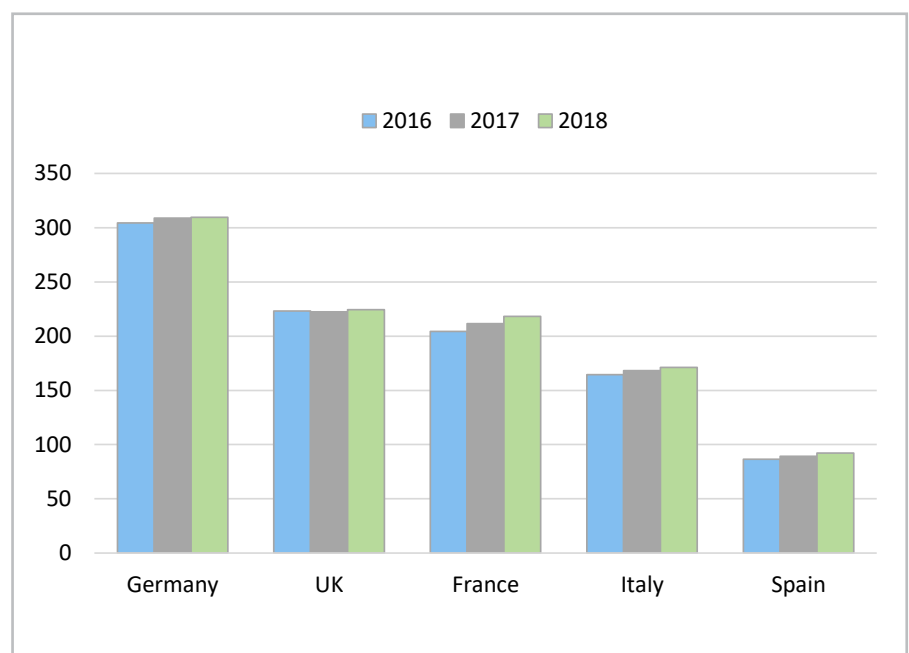
Both residential and non-residential construction should see growth within Europe between 2017 and 2019. However, growth rates will vary between the sectors and the countries. Growth in the residential sector is expected to slow down,

but still remain positive. In euro terms, the most significant growth in new construction work is expected in Germany, France and the Netherlands, while in both Sweden and UK, growth is expected to be lower than 2016, but still remain positive. In more than half the countries in Europe, growth rates are expected to be lower than 2016, and will pull average growth rates down considerably.

For non residential construction, forecasts for 2017 are not very encouraging, with growth slowing to only 1.4%.

The outlook and expectations for the civil engineering sector are positive for 2017 to 2019. Building activity is expected to see accelerating rates of growth of 1.8%, 2.9% and 3.2%, across the 3 years. Growth is forecast to be strongest in the Eastern European countries, while in Western Europe it is forecast to grow by 1.4% and 2.2% in 2017 and 2018.

All sub-sectors except energy are expected to show growth. Eastern European countries are expected to benefit from investment in new projects, as the EU's new financing period begins to pick up momentum. However, in the crisis countries, civil engineering activity is expected to remain at low levels of growth, or even show some declines. Both France and Italy are recovering well, and further growth is predicted for the forecast period.



Total construction output in major markets (in EUR bn at 2015 prices), source: Euroconstruct



GLOBAL MINING INDUSTRY

The global mining market is showing signs of stabilisation and recovery

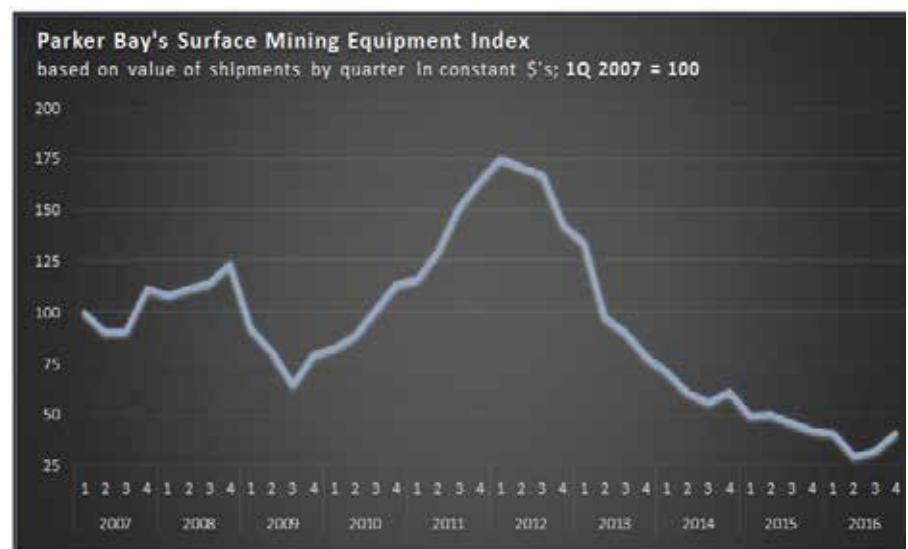
Improving commodity prices and better financial results amongst global mining companies point towards better prospects for mining equipment demand.

Demand for equipment in the global mining industry has been declining for four years, since commodity prices and capital expenditure peaked in 2012. Profitability amongst mining companies has been declining due to lower commodity prices, and in response to this, cost cutting and reductions in exploration and capital expenditure have been widespread. However, the latest industry analysis shows that prices across a range of commodities including iron ore, copper, zinc and nickel started to recover in 2016, and further improvements are forecast in 2017. On the back of this improving market situation, some of the leading global mining companies have started to report improving profitability in their quarterly results.

The latest analysis from industry experts Parker Bay and Citi Research suggest that 2016 was the bottom of the demand cycle and early signs in 2017 suggest better prospects for equipment sales. It is estimated that spending on equipment accounts for approximately 35% of total capital expenditure by mining companies, and will be influenced significantly by overall profitability and capital investment decisions.

THE MARKET FOR SURFACE MINING EQUIPMENT

The Parker Bay Company monitors deliveries of surface mining equipment on



a quarterly basis, as shown above. This indicates a steady decline in equipment deliveries since 2012, consistent with reduced spending by mining companies.

Parker Bay's analysis of surface equipment includes deliveries of excavators, wheel loaders and dump trucks, as well as more specialist mining equipment such as hydraulic shovels. The latest update of the surface mining equipment index for Q4 2016 shows a 28% increase in shipments compared with Q3.

It now looks as though the low point in the demand cycle was reached in Q2 in 2016, and Parker Bay are suggesting that the latest surge in shipments may signal the beginning of a sustainable growth cycle, as it accompanies a number of other positive indicators for the industry.

FORECASTS OF MINING INVESTMENT AND EQUIPMENT DEMAND

Citi Research conduct a quarterly survey amongst global mining companies, which includes spending intentions for equipment, both surface and underground. The latest survey for Q4 2016 was published at the end of January, and this indicates that spending on equipment in the next 12 months should increase by nearly 6%. As the graph below shows, spending intentions have been improving in each quarterly survey since the low point reached in Q1 2016, and currently are the most positive since 2012. However, additional questions in the Q4 sur-



vey suggest that spending increases on equipment will be modest in 2017, and significant increases won't be seen until 2018.

It is difficult to assess how the European equipment and component manufacturing industry will benefit from the impact of the global mining market stabilising. Estimates for the mining equipment market suggest that Western and Eastern Europe together account for approximately 10-15% of global demand for mining equipment, and approximately 15-20% of global production, with Germany being a leading global producer.

As Europe has a leading position as an equipment supplier to the mining industry, it is to be hoped that increasing capital expenditure by global mining companies will provide better demand for European suppliers in 2017 and 2018.

Figure 15. Mining companies' equipment purchasing (CAPEX) intentions over the next 12 months



Source: Citi Research





EQUIPMENT MARKET

The European construction equipment sector returned to growth

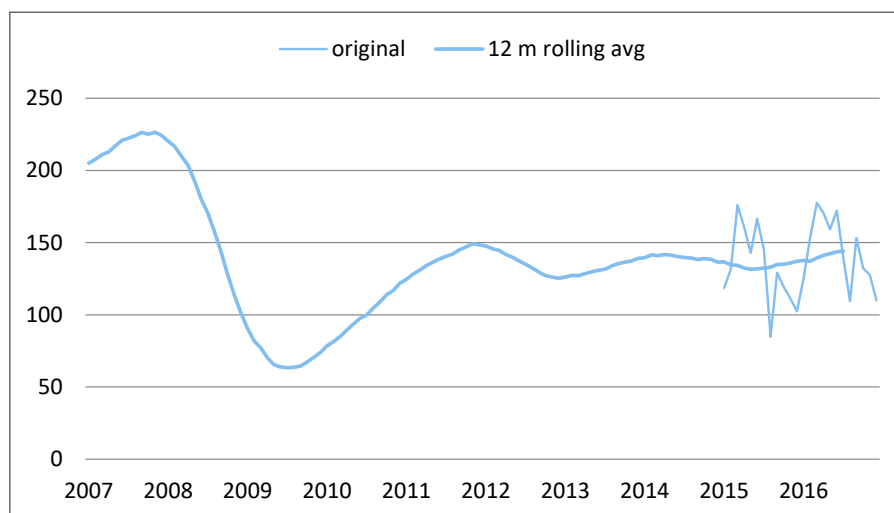
The European construction equipment sector returned to growth in 2016, experiencing a 10% increase in sales. In 2015, an obstacle for the market was the troubled Russian market, but Russia began a recovery in 2016, and together with France, accounted for the highest growth rates. Markets like Germany, the UK, and Nordic countries were at very high levels of sales, close to their pre-crisis peaks. However, the recovery in the market in Southern Europe remains slow. All sub-sectors within the industry recorded a growth in sales in 2016, with building construction equipment performing much stronger than civil engineering equipment. 2016 saw the highest level of sales in Europe for five years, but this still means that the industry is one third below the record levels seen in 2007 (and approximately 130% above the trough in 2009).

EARTHMOVING EQUIPMENT

Sales of earthmoving equipment in Europe (including Russia and Turkey) grew by 12% in 2016 to a level of 145,000 units. This marked the highest annual sales volume since 2011. The strongest impetus came from the French market in the first quarter of the year (investments related to “Loi Macron”). Q2 brought a short-term “bauma boost”, before the sector calmed down in the third quarter, but still remained in the growth zone. In the last quarter, the industry saw another upturn, which was primarily due to the pickup in the Russian and UK earthmoving markets.

Light equipment (+13%) performed slightly better than standard and heavy equipment (+10%) in 2016. This was primarily due to mini excavators, the highest volume product in the market, whose sales in Europe grew by 14%. Skid-steer loaders saw an even higher percentage increase of 19%, but the sales volume is much smaller.

Sales of compact wheel loaders increased by 9%, and only backhoe loaders recorded a sales decline of 6%. The latter was a bit surprising, given the beginning of the recovery in Russia, the second largest backhoe loader market in Europe (next to Turkey). The main reason was poor



Monthly construction equipment sales in Europe (index 2010=100)

sales in many CEE countries including Poland, Romania, Bulgaria, and Hungary.

In the heavy equipment sector, the best-performing products were rigid dumpers (+40%) and wheeled excavators (+27%). Sales of articulated dumpers grew by 10%, dozers saw a 9% sales increase, and large wheeled loaders recorded growth of 8%. Heavy crawler excavators (+8%) accounted for the highest increase in terms of volume. The only negative numbers were seen for motor graders, where sales in Europe declined slightly by 1%.

ROAD EQUIPMENT

European road equipment sales grew by around 10% in 2016 (due to a change in the statistics setup, no exact numbers are available). The dynamics over the year were similar to the earthmoving sub-sector, with very strong growth at the start of the year, some deceleration in mid-year, before a return to growth towards the end of the year. Road equipment was the sector which experienced the strongest post-crisis



recovery in Europe, and further strong growth in 2016 confirmed this pattern once again. In fact, road building machinery could be the only sector to reach record 2007 levels of sales again in the next two or three years.

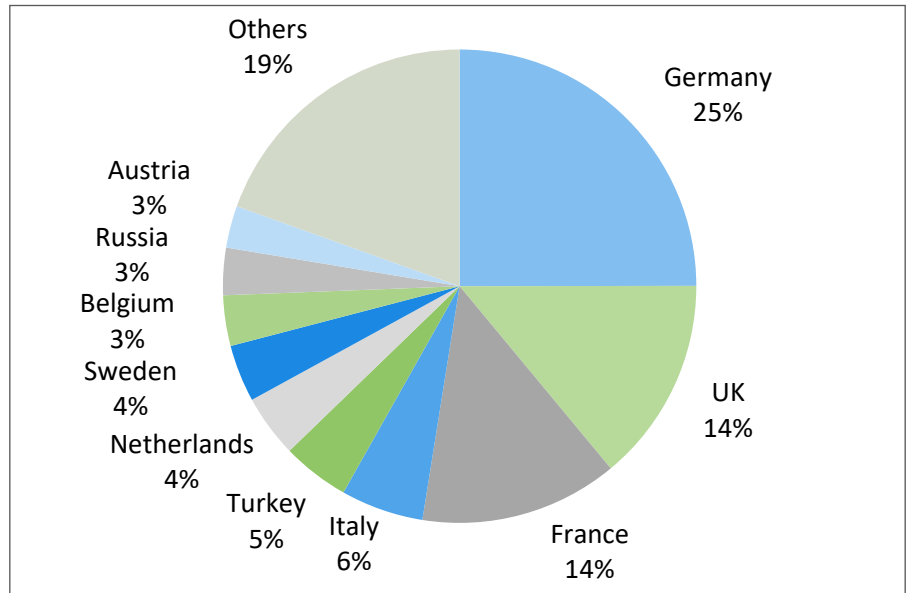
Growth in standard and heavy equipment was particularly strong in 2016, with an increase of 13%. Asphalt pavers sales were less dynamic than compaction equipment, and only grew by 3%. With the exception of combination rollers and landfill compactors, all types of self-propelled rollers saw solid growth in 2016.

The strongest growth in road equipment sales was seen in Northern countries, Benelux, and in the recovering French market. The Russian market “bottomed” around mid-2016, but saw strong growth in the second half of the year. However, CEE countries like Poland, the Baltic states, Bulgaria, Romania, and the Slovak Republic, all saw significant declines in sales in 2016. This seems to be a combination of a weak economic climate, and the fact that many projects financed by EU structural funds have been completed.

CONCRETE EQUIPMENT

In 2016, building construction equipment saw a continuation of the recovery that started in 2015. This has been due to two key factors: Firstly, recovery has lagged behind other sub-sectors, and the absolute level of sales is still comparably low. Secondly, the real estate sector, residential and non-residential construction activity all experienced a strong upturn in many parts of Europe. This had a beneficial impact on demand for lifting equipment and concrete equipment.

Sales of concrete machinery in Europe grew by 21% in 2016. However, the dynamics were different from the earthmoving and road equipment sectors. The first half of the year saw a strong increase in sales of 40%, before momentum slowed down significantly. This saw sales in the second half of the year at only 5% above the same period in 2015. Sectors with comparably low sales volumes can often report high percentage changes, but this does not necessarily mean that the market is highly volatile.



Shares of construction equipment sales in European countries, 2016

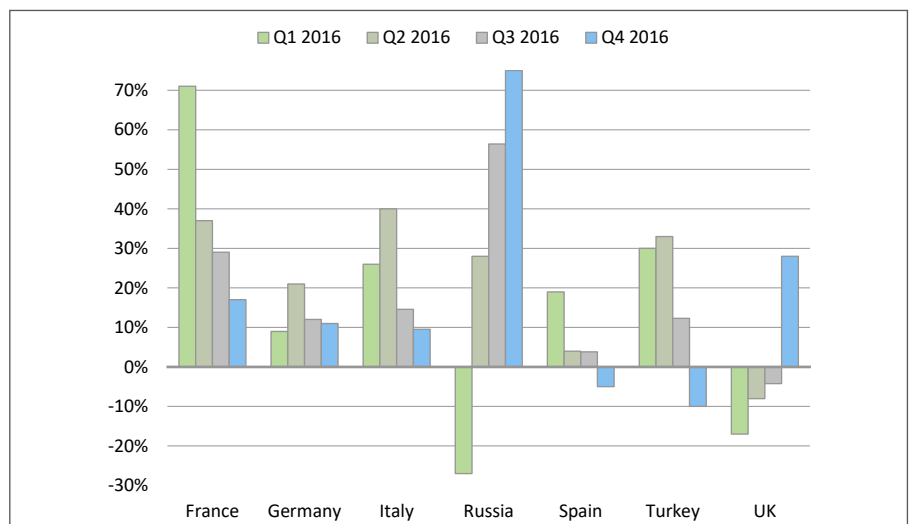
The best performing product group in 2016 were concrete truck mixers, which saw an increase of 23%. Sales of mixer systems, concrete pumps, and light equipment (saws and vibrators) also increased. However, batching plant sales decreased slightly, and this is from a low level of sales in 2015.

Concrete equipment sales showed noticeable differences between the countries in 2016. The largest market, Germany, experienced moderate declines, and was almost caught up by France in terms of sales volume. France recorded robust growth, and Italy continued its strong recovery, and is now the third-largest

market in Europe for concrete machinery. The other significant markets like the UK, Austria, Switzerland, and the Nordic countries all grew moderately in 2016.

TOWER CRANES

Lifting equipment, the other part of the building construction machinery sub-sector, performed similarly to concrete equipment in 2016, with a declining profile of sales during the year. Tower cranes sales in Europe started extraordinarily strong in 2016, with Q1 growth above 50%, and first half sales at around 25% up on a year-to-date basis. How-



Construction equipment sales in major European markets compared to previous year in %



ever, the second half of the year was much less dynamic, and slowed to 13%, which included no increase at all in Q4.

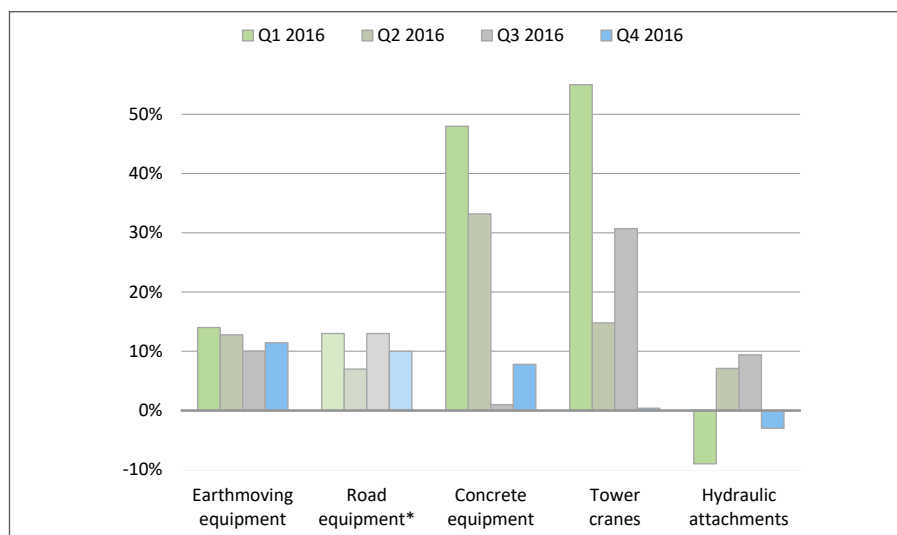
The most notable feature in 2016 was a significant come-back in the French market. Tower cranes sales in France almost doubled in 2016, pushing the market back to the number one position in Europe. The German market also showed strong growth at 25%, but still fell back to second rank. The UK tower crane market saw strong growth of more than 30% in 2016, which was very different from how sales performed in many of the other construction equipment sub-sectors in the UK.

Alongside strong growth in the top 3 markets in 2016, the medium-sized markets like Austria, Belgium, the Netherlands, Norway, and Sweden also recorded sales increases. In contrast, the Swiss and Italian markets declined, and the Turkish market experienced a severe downturn. No turnaround was experienced in the Russian market, which previously was a large and significant market within Europe. In Southern Europe, the market can best be described as stabilizing, rather than showing any substantial recovery.

SUMMARY AND OUTLOOK

With the exception of CEE countries and the UK, all markets in Europe showed increased sales in 2016. However, both the profiles of market performance during the year, and the magnitude of change, were very varied across the countries. Strong disparities between Northern and Southern Europe continued to be a big issue for the sector – not because the South is declining, but because the North has grown at above average rates for quite some time, and is now at historically high levels.

In a global context, the 10% sales increase in Europe placed it amongst the best-performing regions in 2016. Strongest growth globally was seen in India with a 34% increase in sales, followed by China with 22% growth, after hitting the “bottom” in 2015. Australia/Oceania also saw solid growth with sales of 10%. Most other regions around the world experienced sales declines in 2016, with the most notable being the Middle East where the market deteriorated by a third. Latin America, which was already at a low level of sales,

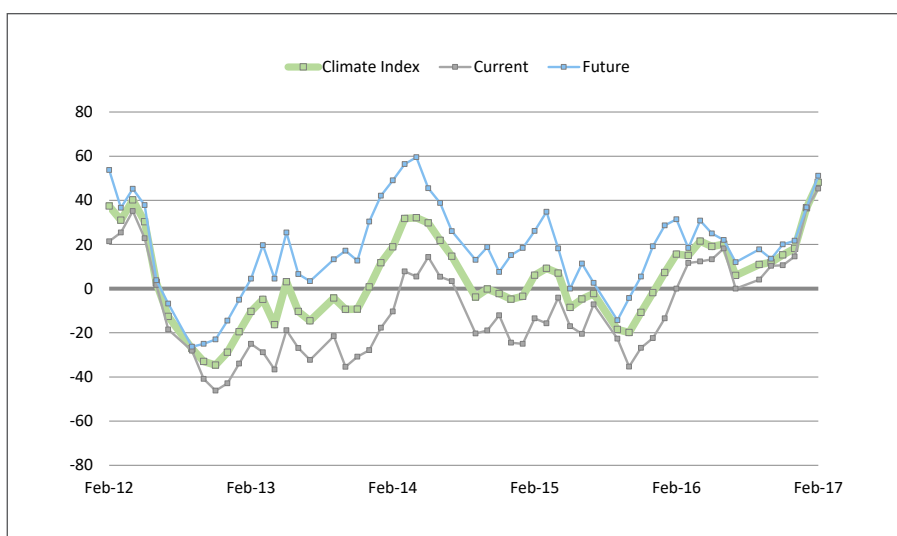


Product groups: construction equipment sales in Europe compared to previous year in %;
* no exact data available for road equipment

fell by another 20%. North America ended up with a decline of less than 10%, which had been anticipated for some time. In the African market, which is small in terms of sales volumes, a single-digit sales decline was experienced. In summary, equipment sales at a global level were almost unchanged in 2016, recording a 1% reduction overall. This means that for the third consecutive year, European equipment sales outperformed the world market.

It remains difficult to forecast where the European industry will go from here. The list of uncertainties seems to continue growing – Brexit, major elections in European countries in 2017, unsolved political and economic crises around the globe, the continued weakness of com-

modity prices, and a general challenge to the regime of open markets and free trade. Furthermore, it is difficult to assess how these issues will influence demand for equipment. Against this background, it is remarkable that the industry has seen a pick-up in sentiment, which has lasted for six months, despite the range of uncertainties. The CECE Business Barometer index hit a low point following the Brexit vote in the summer of 2016, and has been on a growth path ever since, which resulted in the highest index value in almost six years being reached in February 2017. It is interesting to note that almost all regions in the world are viewed as positive in the survey in 2017. The market in the USA is expected to see an upturn, fuelled by infrastructure investments from the



European business climate index, CECE Barometer February 2017



new government. China and India are anticipated to continue their upward trends seen last year. A majority of European manufacturers expect the markets in the Middle East to recover in 2017. However, Latin America, is not expected to bounce back from the 2016 low point yet.

For the European market, the manufacturers surveyed in the CECE Barometer expect a positive outlook, except for the Turkish market. Strongest sentiment is focused on Scandinavia, France, and Germany.

Optimism is equally strong across the equipment sub-sectors. For earthmoving, road, and concrete equipment, around two-thirds of manufacturers expect an improvement in the business situation.

However, component suppliers are less optimistic. While providing a positive outlook overall, 63% expect business to remain unchanged in the near future.

In summary, stable sales of construction equipment appears to be the most re-

alistic forecast for Europe in 2017, with some possibility of a small increase. This is against the backdrop of modest growth in the European construction industry, generally positive industry sentiment, and different stages of market recovery across the countries in Europe.

Also, European manufacturers should be able to benefit from a world market which is expected to return to growth after three consecutive years of decline.

UK



How did the construction equipment market develop in your country during last year?

Sales in the UK market showed a decline of 5% in 2016, finishing the year at over 22,000 units (excluding Telehandlers). This followed a 6% increase in 2015, so that the market effectively returned to 2014 levels last year. To put recent years in perspective, the period 2014 to 2016 has been at historically high levels of demand, at higher levels than any of the preceding years since 2007, prior to the market "crash". 2016 turned out to be better than expected compared with mid-year forecasts when a decline of between 5 to 10% was anticipated. The main reason was a strong 4th quarter, which saw sales below the levels of the first three quarters, but 30% above Q4 2015. The most popular equipment types saw reductions of between 5% and 10% in 2016. This was the case for crawler excavators, and wheeled and backhoe loaders. However, some of the lower volume machines saw stable sales, or showed increases on 2015 levels. This was the case for wheeled excavators, crawler dozers and skid steer loaders.

What were the main drivers of your market in the previous year?

An overall assessment of construction activity in 2016 suggests that the market was relatively stable compared with 2015. Official figures for construction output for 2016 from the Office for National Statistics (ONS) show that the market grew by 1.5%, which is a slowing rate of growth compared with the two previous years. However, alternative measures of construction activity suggest that the market showed a small decline in 2016, as measured by the volume and value of new projects. Assessments by a number of the leading industry experts suggest the volume and value of new projects showed reductions of between 3% and 5% in 2016. Market reports suggest that the closing months of the year showed some of the highest level of activity, particularly in the housing sector, which was one of the best performing sectors in 2016. The Government continued to support initiatives to support increased home ownership, and this helped to maintain build levels. The retail and health sectors also showed growth in 2016, while activity was weaker for industrial and infrastructure developments. Measures of sentiment within the construction industry show that there was a strong recovery in confidence in the second half of the year after the dip

caused by the outcome of the Brexit vote in June. The Purchasing Managers Index (PMI) for the construction industry showed five months of improving sentiment from August onwards. It is anticipated that the main impact of the economic and political uncertainty following the vote may be felt in 2017 and beyond. Delays and deferrals of private investment decisions in 2016 following the vote may result in reduced levels of work when existing projects are completed, but not replaced by a similar amount of new projects. This is most likely to impact on industrial and office projects.

What is the forecast for the next year?

Most industry experts are forecasting that construction activity in 2017 will be at similar levels to 2016. As a result of Brexit, and possible reductions in private investment in industrial and office projects, overall building activity is expected to become more dependent on civil engineering and infrastructure projects. This includes major projects such as Hinkley Point C nuclear power station and the HS2 rail project. While these projects provide considerable optimism for construction activity in the medium term, there is still some uncertainty as to whether some projects will progress



SWEDEN

How did the construction equipment market develop in your country during last year?

In 2016, the levels of construction equipment manufacturing in Sweden did not show any significant changes compared with 2015. Overall, there was a slight increase in domestic sales, as well as for exports, albeit exports showed a smaller increase than domestic sales. Amongst the different product groups, earthmoving equipment showed the most significant increase in domestic sales, but also the smallest increase in exports compared with 2015. Examples of drivers in the Swedish market are increased demand for modern, safe machines with good environmental performance, and low operating and maintenance costs. Within the construction market, big investments in infrastructure projects, such as road and railways, and big investments in the residential sector were core drivers.

What were the main drivers of your market in the previous year?

Swedish GDP showed an increase of approximately 3.3% during 2016. The main drivers were significant investments in the residential sector, and strong growth in the service sector, followed by the IT and technical consultancy sector. During the year, the Swedish manufacturing industry showed a moderate increase of 2.2%. Largest growth was seen in the automotive industry (+14 %), and the steel and metals industry (+10.4 %). In contrast, the chemical and pharmaceutical industry, and the machinery industry showed reductions in production of 1.5% and 1.4% respectively. During the year, employment levels continued to improve in Sweden, with the unemployment level reaching 6.9% in December 2016. Despite achieving these lower levels, unemployment still remains relatively high, and shows no signs of reducing for foreign born workers, while unemployment for the domestic workforce is at its lowest for 12 years.

What is the forecast for the next year?

The strong USD exchange rate during 2016 has been beneficial for Swedish manufacturers of construction equipment, as well as growing demand in the European market. However, forecasting continued growth for exports during 2017 is difficult, due to a range of political and economic uncertainties. Currently, Sweden is considered to be at the peak of the current economic cycle, with growing demands for higher wages, coinciding with uncertain developments abroad. For export dependent nations such as Sweden, this is a hazardous combination. The unpredictable impact of Brexit, the outcomes of the elections in France and Germany, as well as the new administration in the USA, are all examples of uncertainties that may have an impact in the near future. For 2017, the forecast for domestic sales and exports for Swedish manufacturers of construction equipment is in a range from unchanged to slightly positive.

RUSSIA



How did the construction equipment market develop in your country during last year?

Sales in the Russian market fell by another 7% in 2016, continuing the longest downturn in its history, which started in 2012. This was before significant drops in oil prices, and more recent political and other issues which resulted in sanctions, and made the market situation even worse. Continuous devaluation of the Russian Ruble, which started at the end of 2014, pushed up equipment prices by over 50% in local currency. Despite appreciation of the Ruble during 2016, the market continued on a downward trend for most of the year. In addition to the above, an additional negative influence from February 2016 has been the introduction of the new

utilization fee. This was introduced for all types of equipment, and pushed prices up by an average of 15%. The aim of the utilization fee is to help to protect local equipment manufacturers. During the last few months of 2016, the market began to show some growth, and the current view is that the market has "bottomed", and will continue to recover.

What were the main drivers of your market in the previous year?

Included in the above.

What is the forecast for the next year?

The good news is that Russian market started to pick-up from a very low level in the last few months of 2016. There is a huge pent-up demand for new machines, which is beginning to

stimulate demand. This is a result of a declining equipment population, with the inflow of second hand equipment being severely limited by the introduction of very high fees for used machines. The market is recovering at a much slower pace than would be normally expected after such a severe downturn. The slow rate of growth is due a mix of negative factors, with the most significant being:

- Unaffordable financing as a result of very high interest rates - on average around 15% p.a.
- Significant price increases in local currency due to the utilization fee (on top of the devaluation of the Ruble)

Despite a number of negative factors, the Russian market is still forecast to achieve a minimum of 20% growth in 2017.



GERMANY

How did the construction equipment market develop in your country during last year?

Equipment sales on the German market grew by 20% in 2016. This growth is on top of existing high levels of activity, with the five year period from 2011 to 2015 seeing the highest ever cumulative sales volume over a five-year period. As a result, the market is now back at the all-time record level seen in 2007. Growth in 2016 was focused primarily on road equipment and earthmoving equipment. Most products in both the compact and heavy machinery lines showed strong growth. Most notably, sales of mini excavators recorded a 28% increase, and for the first time ever, more than 15,000 mini excavators were sold. The turnover of German equipment manufacturers in their domestic market increased by 14% in real terms. Building construction equipment manufacturers (concrete and lifting equipment) saw a 4% increase, earthmoving equipment manufacturers (including foundation and tunneling equipment) recorded a 16% increase in turnover, while road equipment manufactur-

ers took the lead with a 19% increase.

What were the main drivers of your market in the previous year?

Firstly, the German construction sector has been performing very well. Contractors are profitable, and are working at very high utilization rates. Limiting factors are increasingly due to machine operator availability, rather than projects. In 2016, growth in the construction sector extended to all sub-sectors. Residential work increased by 8%, fuelled by the continued upswing in real estate in metropolitan areas. Non-residential construction saw a 2% increase, and civil engineering grew by 5.5%. Growth in the civil engineering sector was stimulated by repair and maintenance work on roads and bridges. Secondly, construction equipment manufacturers are progressively developing new customer segments in Germany. A growing share of compact equipment is being absorbed by the agricultural sector. Even more importantly, the gardening and landscaping sector has become an increasingly relevant end-user group in recent years, and this sector saw

7.5% growth in turnover in 2016, an all-time record high, after eight consecutive years of growth at record levels. Finally, the rental sector invested strongly in 2016. In recent years, rental companies have significantly increased the operating hours of their machine fleets. This has stimulated demand for replacement of machines, which materialized significantly in 2016.

What is the forecast for the next year?

As the German market is at record levels of sales, signs of market saturation are becoming visible, and further growth in sales in 2017 is considered unlikely. However, most indicators remain favourable, and drivers of growth are intact, which suggests that the market should remain stable. The year may start with positive growth numbers in the first two quarters of the year, due to comparisons with a modest start to the year in 2016, but in the second half of the year, the sector is expected to turn negative. A small single-digit decline is the most realistic scenario for the full year in 2017.

CEE COUNTRIES

How did the construction equipment market develop in your market during last year?

Central and Eastern European markets experienced a tough 2016, as construction equipment sales fell by 21% to their lowest level in three years. Most notable was the downturn of 33% in Poland, the largest market in the region. In volume terms, the reduction in sales in Poland accounted for more than half of the total region's decline. In addition, Romania (-40%), Bulgaria (-32%), the Baltic States (-30%), and Hungary (-13%), all suffered double-digit declines in sales. The only positive development in the region was seen in the Ukrainian market, which saw sales double from a very low base, and in the Western Balkan countries which grew by 24%. The Czech Republic (+3%)

and Slovakian (+/-0%) equipment markets were relatively flat in 2016.

What were the main drivers of your market in the previous year?

A significant influence on declining demand for equipment in 2016 appears to be a cyclical effect. After ten consecutive quarters of growth in the region, often beyond 30% per quarter, growth ended, and the sector turned down from Q1 2016 onwards. Probably the most significant reason for declining equipment demand in 2016 was poor demand in end-user industries. Construction output fell in almost all markets in the CEE region, and on average, by more than 3%. In particular, the civil engineering sector, which has been a key customer segment in recent years, had major dif-

ficulties and contracted by more than 9%. There is a range of reasons for this decline, including the expiration of large-scale EU-funded projects, a negative macroeconomic climate, and in some regions, political instabilities.

What is the forecast for the next year?

The construction industry is expected to return to modest growth levels in Central and Eastern Europe in 2017. This should support reasonable levels of equipment demand, which are likely to stabilize over the year. However, there is no realistic expectation that any of the countries within the region will experience strong enough market demand to push equipment sales back to 2015 levels or earlier.



SPAIN



How did the construction equipment market develop in your country during last year?

Equipment sales in 2016 ended the year showing a 10% increase on 2015 levels. There was a wide range of differences in sales for different types of equipment, with products intended for the rental sector and skid-steer loaders showing the best growth.

What were the main drivers of your market in the previous year?

The Spanish construction industry provided a mixed performance in 2016. While employment in the industry increased, cement consumption declined by 3.1% compared with 2015, and the confidence index and sales of some of the biggest companies in the sector showed declines. The level of activity in the Spanish construction market is still low compared with levels before 2008, but it is on an upward trend. Insufficient investment in infrastructure projects by The Public Administration is limiting sales of machinery for use in public works. A critical factor for investment in infrastructure has been the new deficit limits agreed by the government with Brussels. These were agreed before the new government was formed, and is reducing the number of new projects, as well as slowing down activity on existing products. Residential construction in Spain is making a steady recovery. Output in this sector increased by approximately 3% in 2016, including repair and maintenance activity. Forecasts for investment in the residential sector are for 3.2% growth in 2017, and 5.8% growth in 2018. As a result, sales of equipment for house building are expected to show a modest increase in 2017.

What is the forecast for the next year?

The Spanish construction industry is continuing to make a steady recovery, but is still showing a production value 53% below the 2008 level, after several years of severe decline. 2017 is forecast to see further growth of 3%, driven by residential and commercial building, while growth in public construction and civil engineering will be more moderate. In 2016 profit margins in the sector were steady, and are expected to remain at similar levels in 2017.

TURKEY



How did the construction equipment market develop in your country during last year?

2016 was a tough year both politically and economically in Turkey, due to internal domestic and wider international factors. Despite these negative influences, the construction equipment market saw a 3% increase on 2015 levels. A significant factor in this growth was the fact that the major players in the market did not downsize in order to reach their targets in 2016. It was also encouraging to see the Turkish Lira ending up 5% stronger than expected in 2016, after a period of instability. In the first quarter of 2016, growth in construction equipment sales was 1.1% compared with the same quarter in 2015. This saw sales at 2,675 units in 2016, compared with 2,647 units the previous year. In the second quarter, growth accelerated to 5.6% in 2016, with unit sales increasing to 3,654 units in 2016, compared with 3,460 in 2015. Total sales in the Turkish construction equipment market in 2016 reached 12,645 units, with the most popular machine types being backhoe loaders, wheeled loaders and crawler excavators. However, the sales for other types of less popular machine types showed a reduction on 2015 levels. It is noted that Turkey retained its ranking as the 4th biggest market in Europe in 2016, and also kept its place at 11th in the World rankings. In Turkey, 60% of demand for construction equipment is supplied by distributors and 40% is supplied by equipment manufacturers. Export sales of construction equipment from Turkey in 2016 saw a 0.7% increase on 2015 levels, reaching 13.4 billion USD. The leading destinations for exports were Germany, the United States and the United Kingdom.

What were the main drivers of your market in the previous year?

Construction and infrastructure projects have been the key factors stimulating demand in the construction equipment market. Increasing levels of housing projects and Turkey's investment plans have both helped to stimulate demand. Along with completed projects, such as the Eurasia Tunnel, Marmaray and the 3rd bridge; there is still a significant number of ongoing mega projects. This includes the 3rd airport in Istanbul, high-speed train projects, and the project to connect 12 cities with a high speed train link in the Sea of Marmara with a funding of 45 billion USD. In addition, there is a planned investment of 140 billion USD for the energy industry, 5 large waterway projects, and a 100 dam projects across Turkey.

What is the forecast for the next year?

According to IMDER (Turkey Construction Equipment Distributors and Manufacturers Association), which represents 93 percent of the construction equipment market, the market in 2017 is expected to at least match the demand levels seen in 2016. This takes on board the on-going projects and investments in the construction sector, as well as negative economic factors and likely exchange rate fluctuations. The market is expected to improve in the second half of the year. A higher exchange rate in the first quarter of 2017, coinciding with the winter season, when equipment sales are lower, can be seen as an advantage for the sector. The expected seasonal decrease in equipment sales in the first six months of 2017 will pave the way for increased activity in the rental market. The reduced level of sales in the third quarter of 2016 led to a rise in rental market activity. IMDER members, who overall had a successful 2016, estimate that the rental market will grow by 20% to 25% in 2017.



FRANCE

How did the construction equipment market develop in your country during last year?

In 2016, sales on the French market increased by 27%, and represented a significant turnaround from the 17% decline seen in 2015. Most types of equipment showed significant increase in sales. For example, mini crawler excavators grew by 37%, crawler excavators above 6 tons grew by 27%, and wheeled excavators saw a 48% increase in sales. However, backhoe loaders continued their slow decline, which started several years ago, and crawler tractors also experienced a decline. Road equipment did not get left behind, and saw a 21% increase in sales in 2016. This included a notable 36% increase for compactors, the best performing equipment in this market segment. Sales of concrete equipment (cement mixer trucks, pumps and conveyors for concrete), also posted very good results in 2016. Most notable were concrete mixers trucks, recording a remarkable 74% increase, to reach 870 units for the year. Lastly, lifting equipment also showed good progress in 2016. This includes tower cranes, mobile cranes, telescopic forklift trucks and mobile elevating work platforms. For example, telescopic

trucks increased by 9% due to higher demand from the construction and Industrial sectors, whereas the agricultural sector has been relatively weak.

What were the main drivers of your market in the previous year?

The gradual strengthening of the building and civil engineering market has been a key part of the improvement in the construction equipment sector. Residential and non-residential construction returned to growth in 2016, and permits recovered sharply. Growth in the residential sector accelerated to reach 11%, while new build in the non-residential sector increased by almost 3%. The civil engineering sector came to life again in the spring, and has been driven by a pick-up in public procurement, and by major construction projects like the "Grand Paris" which includes the construction of roads, metros, railways, stations and many buildings in and around Paris. The gradual development of the "Grand Paris" project, as well as the start of other major projects involving road maintenance, has contributed to the improvement in civil engineering activity, even though the overall level is still very low compared with earlier years. The level of ac-

tivity also varies significantly between different regions across the country. Rental companies have also played an important role in stronger growth in equipment sales in 2016. This was particularly the case for compact equipment. For example, sales of excavators, wheel loaders, and compact loaders increased by 128% to rental companies, compared with 2015. Rental companies are also the main customers for mobile work platforms, where they represent almost 70% of the total market. Similarly, rental sales for telehandlers represents 60% of the total market, albeit there are significant differences from one manufacturer to another. The fiscal environment was also very favorable in 2016. The stimulus provided by tax incentives to encourage investment playing a significant role, particularly during the first part of the year. This measure amplified the dynamic renewal of the market.

What is the forecast for the next year?

Sales of construction equipment in France are expected to increase by 5 to 10% in 2017, with fiscal measures encouraging further investment being an important stimulus in the first four months of the year.

FINLAND



Technology Industries
of Finland

How did the construction equipment market develop in your country during last year?

Imports of mining and construction equipment grew by approximately 5% in 2016 at a level of EUR 0.6 billion. Export sales remained 2.5% below the level seen the previous year at approximately EUR 1.3 billion, however, exports did show some increases towards the end of the year. At the same time,

domestic manufacturing of mining and construction equipment in 2016 remained at a similar level to the previous year, at approximately EUR 2 billion.

What were the main drivers of your market last year?

The Finnish economy grew modestly in 2016 - by some 1.5%. GDP growth was driven in particular by construction activity and private consumption. The

domestic construction sector showed growth of over 5%, and stimulated demand for construction equipment.

What is the forecast for next year?

The Finnish economy is forecast to continue to show modest growth in 2017. Exports, including construction equipment, are expected to see a return to growth in 2017.

ITALY



How did the construction equipment market develop in your country during last year?

Sales in the Italian market in 2016 grew by 26%, reaching 10,984 machines. This consisted of 10,517 earth-moving machines (+25%), and 467 for road equipment (+44%). This positive result confirms the recovery of the Italian market, albeit the level of sales seen in 2016 was still about one-third below the peak levels seen in 2007.

What were the main drivers of your market in the previous year?

The construction industry in Italy is recovering, but at a slower rate than

expected, in the aftermath of the financial crisis in 2008. Investment in the sector increased in 2016 according to Prometeia, but only by 0.7%. Looking at the key sectors within the construction industry, the major driver has been the renovation of residential buildings, which increased by 2.5% in 2016. This was followed by increased investment in civil engineering (+0.5%) and non-residential buildings (+0.3%). Investment in new residential buildings is the area that continues to be troubled, showing a reduction of 3% in 2016. However, following confirmation of the availability of financial incentives for new buildings in 2017, as well as the

progressive disposal of unsold buildings, an improvement is expected in 2017.

What is the forecast for the next year?

The recovery of the Italian market is forecast to continue in 2017 and 2018, albeit at a moderate pace. The business climate remains favorable, and moderate growth of building permits is a promising indicator, especially for the residential building sector. The plans to reconstruct areas affected by the earth-quake, as well as the project aimed at reducing the impact of seismic activity on infrastructure in high risk areas, should stimulate demand for earth-moving and concrete equipment.

BELGIUM



How did the construction equipment market develop in your country during last year?

After a rather slow start, 2016 turned out to be a good year for civil engineering as well as material handling activity. In the civil engineering sector, sales of machines >8tonnes grew by about 10%. Sales of compaction equipment also saw strong growth, but this followed a very poor year for this type of equip-

ment in 2015. However, 2016 can be recognised as a return to a normal level of sales for compaction equipment.

What were the main drivers of your market last year?

Growth in 2016 was believed to be derived from a combination of factors: economic growth; higher investments; higher consumer confidence.

What is the forecast for next year?

It is expected that the market in 2017 should perform at a similar level to 2016. None of the economic indicators are currently suggesting a decline for this year. However, a feature of the market in 2017 will be new equipment suppliers, which is expected to increase competition for market share, and put pressure on margins.





General uncertainty prevails, but worth taking note of the bright spots

'Uncertainty' is the word to summarize the current economic scenario in most regions of the world. This often translates into limited investment activity, but there are also some bright spots for the construction industry and the equipment manufacturers. The Indian market is certainly one of them – reason enough to discuss the prospects for India in detail at this year's CECE Economic Forum, held as part of the CECE Congress 2016 in Prague.

Kicking off the general discussions at the Economic Forum, Daniela Milučka of Raiffeisenbank a.s. underlined increased volatility of growth forecasts after the Brexit vote. While conditions of the EU-UK separation and future trade relations remain unclear, downward revisions of forecasts are inevitable, both for the UK and most European countries. Still, a 1.5% GDP growth of the Eurozone, along with further appreciation of the Euro against the Pound, seems realistic for 2017. One of the biggest threats, however, remains the debt crisis. Currently overshadowed by the Brexit turmoil and ECB quantitative easing measures, public debts are still a huge problem for a number of European countries.

The Brexit vote also had implications on the European construction industry forecasts, as Janos Gaspar of Buildecon illustrated in his speech. European construction output is expected to grow by 2.1% in 2016, a downward revision of 0.5 percentage points. Still, construction growth is expected to stay above 2% p.a. for the forecast horizon until 2018, which is a better scenario than in most of the years after the financial crisis had hit Europe. Therefore, the underlying drivers for construction equipment demand should remain intact. Equipment sales in Europe can indeed be expected to grow, albeit at a rather modest pace. David Phillips of Off-Highway Research shared his European market forecasts until 2020; growth is expected

to fluctuate around a CAGR of 1.5%. In order to realize true expansion, European manufacturers need to turn to emerging markets; and Iran is certainly one of the markets discussed most often at the moment. Off-Highway Research just published a study on the equipment market in Iran, and Chris Sleight presented its major findings. A growth of 220% over the next five years sounds impressive, but the absolute level is still low. And again, it is about uncertainty: The development path of Iran is fragile, and a continuation of the policy of opening up cannot be taken for granted.

INDIA BACK ON STAGE

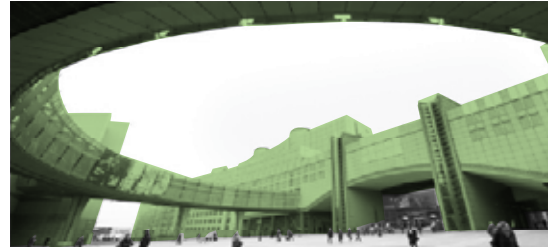
In the second part of the Economic Forum, industry experts and the audience took a closer look at the Indian construction equipment sector. Rajesh Nath of VDMA India presented recent data on the construction sector and the equipment industry. After a long dry spell, India is back on the stage and marks in fact the highest growth rate of all world regions this year. In the following panel discussion, it became evident that most of the current upturn is induced by investments into road building.

The Ministry of Road Transport and Highways is getting projects approved and implemented much faster than in previous times. However, other sectors of the construction industry, in particular resi-

dential construction, are clearly lagging behind. It may be questioned if growth coming purely from government projects can be sustainable, and even making use of the much-cited PPP projects did not prove to be the ideal route yet. Bureaucracy, corruption, and also a lack of business confidence are still impediments to an enduring upturn. The weakness of the mining sector takes its toll also, while the low oil price rather helps by increasing disposable funds for investments.

Panellists shared their experience about entering the Indian market. Christian Kienzle of the described the entry of his hydraulics company Argo-Hytos in India as an endeavour to serve one of the most promising international markets locally, by making use of the well-developed supplychain infrastructure. Marc Balsiger of Ammann presented the experiences of a joint venture to work the market, notably benefitting from an existing distribution and after sales network.

Anand Sundaresan, ICEMA President, explained the skills council which the Indian association had set up in order to address the lack of skilled labour availability. Training centres are set up across the country with the help of equipment manufacturers. Jagpal Singh Lotay of specialist drilling equipment manufacturer added that the primary aim of these centres is not to get skilled workforce for the own company, but about training the customer side, e.g. operators.



What is the Committee for European Construction equipment?

CECE represents the European construction equipment industry towards the European Institutions, coordinating the views of its national member associations, and working with other organizations worldwide to achieve a fair competitive environment via harmonized standards and regulations.

Our figures

- 13 NATIONAL ASSOCIATIONS
- 1,200 COMPANIES EMPLOYING DIRECTLY AROUND 130,000 PEOPLE.
- TOTAL TURNOVER: 25 BN €
- 20% OF THE WORLDWIDE PRODUCTION

WHAT WE DO

CECE is the acknowledged partner of the institutions of the European Union for all questions related to the construction equipment industry. Based in Brussels, CECE's work involves political representation and the monitoring of legislation and standardization on behalf of its member associations and their corporate members.

CECE also cooperates with CEN and ISO, the European and International Committees for Standardization. CECE furthermore delivers and economic and statistical services to its members and partners.

Representing the interests of the industry

New buildings and infrastructures connect people, boost economies and serve people all over the globe. Construction equipment manufacturers are highly innovative and have invested heavily in increasing the productivity of their machines, while reducing their environmental impact.

The European construction equipment industry forms an important, integral part of the European machinery sector. Manufacturers are predominantly small and medium-sized companies but also large European and multinational companies with production sites in Europe. The industry organised within CECE employs around 130.000 people directly, with a similar number being active in sales and services, and had a turnover of around 25 billion Euro from European production.

Statistics and economic topics

CECE collects and provides up-to-date market data for many types of construction equipment, providing a leading indicator for the development of European construction equipment markets. Since 2008 CECE runs a monthly business trend enquiry, the CECE Barometer. The companies taking part in the Barometer receive a report about the economic situation in Europe each month.

Exhibitions

CECE gives patronage to a limited number of leading sector exhibitions, contributing to successful trade fairs around the globe.

BluePoint Building, Bd. Auguste Reyers 80
1030 Brussels

Phone: +32 2 706 82 26
Fax: +32 2 706 82 10

E-mail: info@cece.eu
website www.cece.eu

Follow CECE also on:





COMMITTEE FOR EUROPEAN
CONSTRUCTION EQUIPMENT

CECE aisbl
Bd. A Reyers 80 | B-1030 Brussels (Belgium)
Tel: +32 2 706 82 280 | Fax: +32 2 706 82 10
www.cece.eu