

Minutes of ELIOS2 Forum Meeting 3

Time and date

Thursday 24 January 2013 at 10-16

Venue

Meeting Room 12/A, BREY building, Avenue d'Auderghem 45, DG ENTR, 1040 Brussels

Purpose of Forum Meeting 3

The purpose of Forum Meeting 3 was:

- To report on the review of existing research work and data sources on indicators for pathology (WP2).
- To discuss selected themes on building pathology of Work Package 2.
- To report on progress of the other work packages.

Participants

Henk VERMANDE, ARCADIS

Carmen BELL, Insurance Europe

Oscar NIETO, CEPMC

Beatriz ARRIBAS, European Builders Confederation (EBC)

Jean-Luc SALAGNAC, CSTB

Kim HAUGBØLLE, Aalborg University

Michel van DROOGENBROEK, CEA Belgium

Ernst Jan de Place HANSEN, Aalborg University

Rainer MIKULITS, EOTA

Jacques VERTESEN, SPF Economie, P.M.E., Classes moyennes et Energie

Sabrine BERNARD, Hannover Re

Alexandre BIED-CHARRETON, ALLIANZ

Thomas DUNAND, Hannover Re

Dragana KONSTANTINOVIC, TZUS

Graham PERRIOR, NHBC

André SOUGNÉ, CEA Belgium

Pierre COLPAERT, CEA Belgium (left after lunch)

Daniel BEURMS, CEBC

Godlive BONFANTI, AQC

Joani REID, NHBC

Martine Okito COETS-GAIBILI, COBATY International

Lukas BORTEL, DG MARKT

Antonio PAPARELLA, DG ENTR B.1

Susanne WARREN, DG ENTR B.1

Christian RENTZSCH, Ministère de l'Écologie, du Développement Durable et de l'Énergie

Joe BLAISDALE, EOTA (left after lunch)

Harm P. VERSTER, SBK – Stichting Bouwkwiteit, NL

Jan VAN DER PUTTEN, EFCA (left after lunch)

Stefan Christoffer GOTTLIEB, Aalborg University

Tapani MIKKELI, DG ENTR B.1 (arrived at 14.30)

Frédéric BOUGRAIN, CSTB

Ulrich PAETZOLD, FIEC (arrived after lunch)

Agenda

- 1) Introduction and welcome
- 2) Review of existing data sources and results of questionnaire on the availability of data for building pathology
- 3) Results of case studies for pathology of 10 selected eco-technologies
- 4) Discussion of three selected WP2 themes
 - Theme 1) The role of building pathology (and quality signs) for risk assessment by insurers during the underwriting process of innovative building products
 - Theme 2) Analysis of the needs and criteria from insurers for the format (structure) of the EU-wide database on pathology indicators of eco-technologies
 - Theme 3) Conditions and modalities to gather, exploit and disseminate relevant data and information to all parties concerned as well as the maintenance and the exploitation of the database after the termination of the pilot project
- 5) Progress report on WP1 Quality signs
- 6) Progress report on WP3 Insurance schemes
- 7) Progress report on WP4 Forum and dissemination
- 8) Summary
- 9) Closing

Minutes

Re 1) Introduction and welcome

Antonio Paparella (DG ENTR) welcomed the Forum members and introduced the agenda for the third Forum meeting.

Re 2) Review of existing data sources and results of questionnaire on the availability of data for building pathology

Henk Vermande (ARCADIS) presented the preliminary findings of WP2 on building pathology (for further details, please consult the attached slides). The presentation included the following headlines:

- A reminder of the overall objectives of WP2.
- The progress of WP2 so far.
- State of the art on building pathology including the execution of a questionnaire among key stakeholders and the selection of ten eco-technologies for further study.
- Examples of publically accessible databases in France, Denmark and the Netherlands.

Henk Vermande concluded that a detailed pathology database for eco-technologies is generally being supported, but certain doubts and provisions have also been expressed.

The project team was asked if it had discovered other databases in other countries. Henk Vermande answered that other databases exist but typically these are confidential in nature and mostly set up by organisations for their own use. It was mentioned by a Forum member that Germany for many years had had "Bau Schaden Berichte", which are publically available. The project team promised to look closer into these and similar in the coming six months.

It was pointed out by a Forum member that a focus on e.g. insurers as the prime users of the database may be too narrow. It was suggested that for example market surveillance authorities and building control officers could benefit from the database.

Re 3) Results of case studies for pathology of 10 selected eco-technologies

Graham Perrior (NHBC) presented the results of the questionnaire survey and 10 case studies carried out by NHBC (for further details, please consult the attached slides). The presentation included the following headlines:

- The selection process leading from a list of 35 widespread eco-technologies to a list of 10 selected eco-technologies.
- The methodology applied by an outsourced consultant to do the survey including procedure, distribution of respondents and response rate.
- The main results of the survey on pathology databases including type of buildings, collected data, type of damages, procedure for collecting data etc.

Graham Perrior concluded that with appropriate care and due diligence a pilot ELIOS database could be constructed to enable the EU industry to identify the potential risk of damage/defects affecting eco-technologies and use this information for risk assessment or plan for their reduction.

Some Forum members were surprised by the rather large number of databases identified in the survey and wondered what kind of databases was included. Graham Perrior referred to the underlying survey report for further details on the different databases in relation to each of the 10 eco-technologies studied. A Forum member asked if the CROSS database on structural safety was included in the study. Graham Perrior replied that NHBC is well aware of the database and regularly consults with the operators of the database. The database is mostly on "traditional" pathology issues.

It was pointed out that data in the French database AQC are not publically available. Some generalized data are published together with an analytical report, but the specific data are not.

The European Commission pointed out that the survey needs to distinguish explicitly between data as input to a database and data as publicly accessible output data from the database.

Re 4) Discussion of three selected WP2 themes

Theme 1) The role of building pathology (and quality signs) for risk assessment by insurers during the underwriting process of innovative building products (see attached slides for further details).

The first theme was briefly introduced by Henk Vermande (ARCADIS).

The distinction between a qualitative or quantitative approach introduced by Henk Vermande was debated. On one hand, it can't be concluded generally that a quantitatively analysis is not possible it was argued. Risk assessment is both qualitatively and quantitatively. Whether a quantitatively analysis is feasible or not depends on the available population (the numbers) rather than the product as such. On the other hand, it was argued that the past is not useful as a reference for new technologies. The assessment needs to include both frequency and gravity of defects. The frequency of defects is seldom available for new technologies, whereas the gravity or potential risk may be judged quantitatively also for new technologies.

The project team by Sabine Bernard (Hannover Re) replied that we need to distinguish between two different situations: 1) When it comes to very new technologies there will seldom be enough years of experience and numbers to conduct a quantitatively assessment. 2) When it comes to technologies installed for years, we may rely on experience and apply a quantitatively assessment if the data available are considered valid.

Theme 2) Analysis of the needs and criteria from insurers for the format (structure) of the EU-wide database on pathology indicators of eco-technologies (see attached slides for further details).

Henk Vermande (ARCADIS) introduced the second theme for discussion.

The Forum debate centered on three items related to performance, objectives of the task, and different approaches.

First, the European Commission was concerned about the focus on major defects and the apparent absence of "failure to meet performance" in the list of requirements.

Second, some confusion was expressed related to the objectives of the task: What will be the outcome – a tool or a set of fixed figures?

Third, the issue of having access to insurance seems to be a French problem in particular. Other countries have other approaches towards dealing with risk. The project team was warned against focusing too narrowly on one particular approach in one particular country. Thomas Dunand (Hannover Re) replied that the first ELIOS study had precisely taken these differences into account, and this will still be the case.

It was also mentioned that the record of pathology cases could usefully indicate if concerned products, systems, competences or works are associated to quality signs.

Theme 3) Conditions and modalities to gather, exploit and disseminate relevant data and information to all parties concerned as well as the maintenance and the exploitation of the database after the termination of the pilot project (see attached slides for further details).

Henk Vermande introduced the third theme for discussion in which it was suggested to establish a quality observatory to follow up on the ELIOS2 study.

The debate on the pilot database and quality observatory sparked off a range of comments and questions. To start, the project team was asked how it intended to make use of national information sources for the pilot database. In more countries, various information sources or databases are available on building defects. Henk Vermande responded that some data exist on national scale, but no European database is available. This response triggered two comments: 1) Why is a European database needed at all? 2) A European database logically needs to rest on national data since buildings are constructed nationally. How do you intend to integrate these national sources into the ELIOS pilot database?

The project team added that the quality observatory is a mechanism for making people share information on pathology. It most likely would need to start out with a smaller number of countries as participants. The idea is that the observatory will be based on an agreement between the participants so that people know the framework within which data will be shared.

The scope of the observatory was called into question: 1) what does the project team think can be achieved with the observatory, and 2) why is it called a “quality observatory” when the focus is on pathology? Further, it was asked where design requirements sit. For example, how will the database deal with language issues?

The Commission stated that ideas to follow up on the pilot project certainly are appraised. However, the prime focus in this project is on developing a pilot database to demonstrate the feasibility of this approach. This is crucial. Further, it should be clarified which data will be the input for the database, how existing databases can interoperate with the European database, and what are the information requirements for the output.

In conclusion, Henk Vermande presented the next steps of work in Work Package 2.

Re 5) Progress report on WP1 Quality signs

Jean-Luc Salagnac (CSTB) presented the progress report of Work Package 1 (see attached slides for details). The presentation focused on the directory of quality signs, and it included:

- Objectives of the directory.
- Definition and subjects of quality signs.
- Structure of the directory.
- Concrete results.
- Links with insurance.
- Next steps.

These points are presented in detail in deliverable D1.1 on which the Commission will send feedback in February. The Commission praised the progress of the glossary, but asked for some clarity, precision and consistency in the use of various concepts. For example the use of the term specification or technical specification, which is clearly defined in the document CEC 1025/2012 on standardization. It was suggested to deal with these minor items at a bilateral meeting between the Commission and the project team.

Re 6) Progress report on WP3 Insurance schemes

Thomas Dunand (Hannover Re) presented the progress report of Work Package 3 (see attached slides for details). The headlines of the presentation included:

- A short overview of different insurance guarantees: Construction third party liability (TPL), professional indemnity (ID), inherent defect insurance (IDI) and energy performance guarantees.
- An update of the previous ELIOS study on insurance guarantees on inherent defect insurance (IDI).
- Some preliminary observations on financial protection (energy performance guarantees).

In the subsequent debate, the project team was asked about the source of the update on inherent defect insurance. Thomas Dunand answered that the update was based on the first ELIOS study along with an internal inquiry in Hannover Re. The next step will provide even more input through the questionnaire. Although the type of insurance may be same, the cover may be very different from country to country.

The project team was asked about the major changes since the first ELIOS study. The preliminary answer is that not many changes have taken place, but some minor mistakes have been corrected and one additional country has been added to the previous mapping.

The presentation included four types of insurance guarantees, but only seem to deal with some of these. Thomas Dunand answered that professional indemnity (PI) is a type of third party liability (TPL), but usually insurance companies do not distinguish between construction related and others. Thus, it is difficult to extract information. It was suggested by the Forum to ask the building professionals themselves how their insurances are provided. It may be possible in some countries, but not in all.

Re 7) Progress report on WP4 Forum and dissemination

Kim Haugbølle presented the progress report of Work Package 4 (see attached slides for details):

- The second newsletter has been issued.
- A number of changes to the ELIOS website are scheduled.
- The fourth Forum meeting will take place Monday 10 June 2013 at 9.30-13.00 at the same venue as this Forum meeting. Please note the change in time compared to what was stated at the third Forum meeting.

The question was raised if the terms regimes and schemes are the same. They are not, and most likely this will be an issue to discuss in detail at the next Forum meeting.

The project team was advised that there are different ways of dealing with the same challenge of ensuring performance and stimulating innovation.

Re 8) Summary

The European Commission summarized the points of attention towards the fourth Forum meeting:

- WP1 on quality signs will need to ensure alignment of definitions used. A meeting will be set up between the commission and the project team.
- WP2 on building pathology must keep a clear focus on developing a pilot database.
- WP3 on insurance schemes ought to bring out some suggestions related to energy performance contracting.

Re 9) Closing

The meeting was adjourned at 16.00.