

Timely issues in the distribution of construction products

*All beginnings are difficult,
all further steps are even more difficult,
and staying afloat every day is the biggest challenge.*

If an adult is making preparations to join a community, be it a college or an office, what does he do? What are the measures to be taken?

If a new phase begins in a man's life and he becomes a university undergraduate, starts a family or becomes an employee, what does he do? What measures are to be taken?

And we can rightly ask the question: what does he actually do? And what does a country do when it approaches a new phase in its history?

If it is wise enough, it analyses its situation, endowments, traditions, and opportunities. It works out a strategy not only in a political, but also in a legal, social and economic sense, and makes preparations.

Focusing on the construction industry, we can say that for the past 15 years Hungary has been making preparations on an ongoing basis and today it is within arm's reach of adopting the changes the country is challenged with as a result of accession to the European Union on 1 May.

And what if we had made (successful) preparations? Then the 1st of May will be a part of a long process, a 24-hour interval in our lives, instead of jumping off a cliff blindfolded. A new phase, but not a contingent phase will commence on 1 May.

It is not an exaggeration to say that because of the national economic weight of the construction industry, the economy of a whole country suffers if there is stagnation or decline in the construction industry. On the contrary, the whole economy of a country is on the sunny side, if the construction industry prospers. As well known, an upturn in investments is in direct proportion with product distribution existing on the boundary of planning and implementation.

And now let us dwell on this subject some more.

How and to what degree was the country prepared, what did we expect in the field of distributing construction purpose products?

- The minimising of commercial restrictions, or more exactly the opening of the borders in order to ensure free trade;
- A livening in the trade of products that become cheaper as a result of abolished customs duties, and a significant expansion in the assortment of products;
- Within the market-regulating role of supply and demand, the surfacing and then domination of the interaction of 'price and quality';
- In order to win the satisfaction of the consumer and customer, the quality improvement of the distributor's reliability and market culture;
- As a result of a stabilisation entailed by the harmonisation and unification of the legal environment, a rising technical standard of the products.

It is well known that the guarantee of equal opportunities and fair market competition is a correct and clear background provided by statutory provisions.

In this respect, the construction field had already made sure that a Bill was passed by Parliament in the second half of the nineties about the relevant European specifications, and this step has guaranteed the integration of the European spirit into the environment of Hungarian statutory provisions.

Following in the footsteps of the Construction Act and the relevant government decree, a great step was taken by joint Ministerial Decree No. 3/2003 (I.25.) BM-GKM-KvVM, which entered into force last year.

This statutory provision deals in a dedicated way with the distribution and application of construction purpose products, on a Euro-conform basis. Simplifying the qualification, this means that the decree is harmonically adjusted to both Hungarian and European legislation, and to their respective set of theoretical and practical criteria.

As a rule of thumb it can be said that any material or structure for a construction purpose may only be distributed or fitted on the basis of a conformity certification. (It is to be noted here that the term distribution means the whole range of the construction process from planning to implementation).

Conformity certification must be based on a well-defined system. The so-called technical specifications serve as the foundation of the procedure proper, which means that a construction product may only be included in the plan *ab ovo* if there is a technical specification issued thereon by an appropriate approval organisation.

Which are these technical specifications?

- The national standards, including the adopted, harmonised European standards;
- European Technical Approvals (ETAs); and
- Hungarian Technical Approvals (ÉMEs).

There can be different sorts of conformity certifications. A technical specification includes – in accordance with the regulations defined by experts – a stipulation on the sort of conformity certificate to be issued for the relevant product.

Disregarding the theoretical considerations and details here, it suffices to emphasise that in determining the sorts of conformity certifications, the rule is subject to the characteristics of the product involved and to the role it plays when fitted into a given structure, from the aspect of its safety, stability and application, especially regarding the protection of life and environment and concerning fire safety.

The process of 'conformity certification' has two main actors:

- the manufacturer, supplier and product provider; or
- an appropriately prepared qualification, inspection and attestation organisation which is of course independent of the manufacturer and unbiased regarding the qualification of the product.

The more it is needed to guarantee safety for the buyer or consumer who will use the building in the future, i.e. for the general public, the bigger role is to be played by an independent 'outside' attestation-inspection-testing organisation. A similar rule of logic is manifest in that in the case of products having virtually lower significance, the role of the manufacturer is increasing, and its scope of activities and responsibilities in the process of conformity certification is expanding.

Conformity certification may be carried out by a certificate and by a supplier's conformity statement.

So-called appointed attestation organisations are authorised to issue a certificate of conformity document.

These organisations win their ‘appointment’ in accordance with a very strict and continuously supervised system otherwise regulated by the stipulations of an independent ministerial decree.

The process of attestation – in a general case – is relatively simple:

- When issuing an attestation, certain tests take place pursuant to the provisions of the technical specifications mentioned earlier and serving as the basis of the conformity certification of the relevant product. These tests are carried out by testing laboratories having an accredited status (testing).
- The results of the tests are assessed by highly qualified experts (evaluation) and they make a proposal while constantly supervising the plant and the manufacturing process.
- The attestation is issued (attestation).

In the given case a product may reach and lawfully remain on the market with this attestation.

The other sort of document is the supplier’s conformity statement.

As the name implies, this statement is prepared and attached to its products by the supplier.

This document may be drawn up in three different ways, meaning that in accordance with the previously mentioned principles, the ratio of tasks carried out by the manufacturer and the appointed attestation organisation changes according to the safety demand (risk level) of the product. Of course, the technical specification applying to the product includes the specified conformity certification method.

Special mention must be made of the well known CE conformity marking well known by many.

Concerning construction products, the CE marking may only be shown if the conformity certification has been issued on the basis of an adopted harmonised standard or a European Technical Approval. Furthermore, the product must meet the basic requirements identified in all statutory provisions applying to it.

Theoretically, the imported products lawfully displaying the CE conformity marking may be distributed in Hungary without any limitations. However, I would like to point out the importance of the word ‘lawfully’ in this context. This means that before putting the CE marking on a product, a set of criteria detailed very accurately must be met. This not only applies to observing the formal regulations of marking, but it must also include several pieces of information which basically prove that the relevant product corresponds to the Construction Products Directive, i.e. it can be used for construction purposes. And, in addition, all the information must be shown which provides safe application guidelines for the designer, the contractor and all actors of the construction market.

Attention must be called especially to the fact that in the case of these products, a so-called accompanying documentation is also necessary for distribution. In this, the user of the CE marking must show all information, technical particulars, etc. identified in the technical specification. In the case of an imported product, the accompanying document must be in the Hungarian language, with an official translation certificate attached.

One of the organisations making sure in relation to product distribution that a customer-friendly system meeting the requirements and expectations of the general public is set up and run will be the Senior Supervisory Board of Consumer Protection with supervision and

inspection licences. With its prestigious and well-prepared network of inspectors and tools stemming from its regulatory licences, this organisation can help the actors of the product distribution market in lawful conduct. By a regular market supervision activity, a continuous and efficient process can be implemented to check the existence of conformity certifications applying to the products, as well as the justification of a reference to technical specifications representing the basis thereof, regarding both suppliers and users.

The construction supervision organisations would be assigned tasks of outstanding importance, especially in the field of inspecting the conformity of construction materials and structures prepared for or already built in at the construction sites. Of course, progress in the quality field may be achieved not only by means of making the inspections stricter and broader, but without improving order and introducing well-organised operations, we shall only seemingly move closer to Europe.

Making this organisation work will be one of the tasks of the senior authority supervising the construction field, and the tackling of this task must be ensured without delay in the near future.

The work of consumer protection and construction supervision organisations may be assisted hand in hand by appointed domestic testing laboratories and attestation organisations.

In the construction field, regarding the latter area, ÉMI – a non-profit company for quality control and innovation in the construction field – will have an outstanding role and scope of responsibilities.

The company's network of special and regional laboratories is accredited according to the specifications of the relevant European statutory provisions to perform the necessary tests. From a trade aspect this means that the laboratory network is prepared for tests covering the whole range of construction products, and by means of the laboratories operating in six large Hungarian cities (Pécs, Győr, Veszprém, Szeged, Miskolc and Debrecen) it covers and is accessible from the whole country.

With activities also accredited according to the relevant European statutory provisions, the Product Attestation Office of ÉMI performs its attestation issuing approvals as an appointed organisation.

Supported by the Appointing Committee of the Ministry of Economic and Transport Affairs, ÉMI as a 'testing' and 'attestation' organisation has been submitted for notification by Brussels. This will pave the way for ÉMI becoming eligible not only to issue domestic technical approvals in the construction industry, but also to draw up European Technical Approvals regarding construction purpose products.

The market is already aware that on the basis of the secure knowledge and appropriate application of legal documents regulating the distribution of products, a lot of savings in money, time and efforts can be achieved. It is also certain that a significant progress can be expected in lawful conduct. This is because it will be in the interest of all suppliers and manufacturers that their products are distributed with the appropriate certificates, thereby ousting from the market the dealers of products not having these documents. And, this will soon result in quality products dominating the market.

On the Western European market it is already a common thing that in the course of implementation only materials and structures qualified for conformity in the construction industry are applied, i.e. they must have a standard or construction industry-specific technical approval. In Hungary, the obligation related to the lawful installation of products and the certification of their conformity seem to be 'intangible' terms today. However, it is a fact proven repeatedly in practice that a building may only be expected to have a high value, long

life, high quality, attractive appearance structure satisfying the expectations of customers, if it has appropriate technical characteristics and has been built on the basis of the specified conditions of application. In this way, lawful conduct directly becomes a quality factor.

Within the international organisations dealing with the standard of construction and with improving the quality of construction, the integration of a new institution, that of the 'qualified contractor' is taking shape. The essence of this method is that a construction product having the necessary licences and hence technical references may only be used and installed by (a) contractor organisation(s) prepared and authorised to do so. The preparation would be represented by a training provided by the product administrator, and the justified nature, reliability, success and efficiency would be qualified and proven by an independent and unbiased organisation which knows the product well. In such a way, the relationship between the product administrator and the contractor would not only be of a 'friendly' nature, but the cooperation would be professionally well-founded and mutually beneficial. And, qualification by an independent organisation would not only create trust in customers and investors requiring a high standard of implementation, but it could also be a guarantee for the product administrator from the aspect that the parameters and technical characteristics of its product are utilised exactly as a result of 'good implementation'. As a result of adopting this institution as soon as possible, a revolutionary advance could be expected in raising the standard of implementation in Hungary, which could also make a substantial impact on the distribution of products.

It is well shown by the discussion above that the uniform interpretation and understanding of statutory provisions applying to the field of product distribution are extremely important. To this end, an example setting intensive indoctrination and information-providing activity has been conducted in the last two or two and a half years by the ministries and various trade organisations (Hungarian Standards Board MSZT, National Accreditation Board NAT, and the scientific associations). Of course, the efficiency of this indoctrination work can be measured later on in practice, in the skills of the actual actors of product distribution. The services rendered by ÉMI in this area must be mentioned. The institute will provide assistance in informing the designers and contractors using the product, the approving authorities, the special authorities, the inspecting supervisory organisations and last but not least the general public by continuously publishing and putting on the Internet the up-to-date list of applicable technical specifications.

I believe that in this field, especially in the case of manufacturers and distributors pursuing an active business policy, great progress can be observed. However, even in this case the situation in Hungary cannot be said to be one hundred percent satisfactory.

There is hope, however, because the organisations handling domestic trade and import transactions, respectively, have already started to receive information.

This hope should give all of us who work in the interest of the construction field power and strength, *because the beginnings will be difficult, and further steps as well as staying afloat every day will be even more difficult, but - I am pretty sure - we shall succeed in the end.*